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# West Europe Report

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8 December 1983

## WEST EUROPE REPORT

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## SCHLUTER DEFENDS STAND ON TNF TO CONSERVATIVES' MEETING

Copenhagen BERLINGSKE TIDENDE in Danish 7 Nov 83 p 10

[Article by Lisbeth Knudsen and Michael Ehrenreich]

[Text] There was great concern at the Conservative Party's national council meeting last weekend over developments in the Social Democratic Party. Justice Minister Erik Ninn-Hansen appealed to the Social Democrats not to "beat" the government with resolutions if the party still wants broad agreement on security policy.

"The Social Democrats seem to have a hard time being in the opposition. But we must not look on the dark side where that is concerned. They will probably learn if they have time enough."

That is how Prime Minister Poul Schluter responded to the many concerns expressed at the Conservative national council meeting last weekend about developments in the Social Democratic Party.

Justice Minister Erik Ninn-Hansen stressed that the Conservative Party has no wish to weaken and divide the Social Democratic Party.

In his final speech to the national meeting the prime minister commented on the many "resolution wars" in Folketing that the government has had to contend with, especially in the area of security policy.

"During the entire time this resolution brouhaha has been going on, I was walking around with a counter resolution in my pocket that read: 'With expressions of deep concern over developments in the Social Democratic Party, Folketing will now proceed to the next item on the agenda.' I think that could get a majority if all else fails. The question then will be how to get the opposition to step down," Poul Schluter said.

Justice Minister Erik Ninn-Hansen said the government and the opposition need to stand together on some issues. He recommended regarding political opponents as "neighbors across the street" instead of enemies. He said

in an appeal to the Social Democrats: "Stop this narcissism. Why is it so bad that the rest of us get the same opportunity--the same chance--you people have had for many years?"

#### Foreign Policy

In his concluding speech the prime minister clearly rejected two critical speeches at the national council meeting concerning the fact that the government refrained from voting last Thursday on a Social Democratic resolution during the missile debate instead of voting against it. Even if one fights openly, there is no reason not to use one's head. Denmark cannot currently pursue a more friendly policy toward NATO than one the Social Democrats will support. We are a little upset by this once in a while, but we have to live with it. It is all very well to fight with our visor down, but we have to keep in touch with reality," said Poul Schluter.

The justice minister also felt the government had acted correctly. "Is there really anyone who dares take the risk that we will produce a break in this matter? For 35 years the Conservative Party has had a major influence on Danish security policy. Do we want to take the risk that in a clash on security policy we will produce a situation in which the Conservatives will have no influence on the outcome?

"On the other hand let us get rid of the nonsense that Danish foreign policy has been placed in an office outside the government. No matter how many trips Social Democratic foreign policy spokesman Lasse Budtz makes to Arab nations, he is not Kissinger and he never will be. The Social Democrats should read very carefully former Social Democratic Foreign Minister K. B. Andersen's new book. This shows how an opposition should conduct itself. Let me say to the Social Democrats: 'When we have to stand together on this, the most important issue of all, we should not beat each other over the head with resolutions,'" Erik Ninn-Hansen concluded.

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## SCHLUTER COMMENTS ON FOLKETING INF RESOLUTION, 'ZONE' PLAN

Copenhagen BERLINGSKE TIDENDE in Danish 11 Nov 83 p 8

[Article by Michael Ehrenreich]

[Text] "The 'don't knows' are the ones who seem to have won."

That was the comment made by a minister on his way out of the halls of Folketing yesterday after the vote approving the Social Democratic resolution supporting Denmark's membership in NATO and at the same time calling on the government to "work actively to keep Denmark free of nuclear weapons by establishing a Nordic nuclear-free zone."

The resolution was passed by 57 votes (S [Social Democratic] and R [Radical Liberal]), with 13 votes opposed (FRP [Progressives] and VS [Left-Socialists]), while 72 refrained from voting (K [Conservatives], V [Liberals], CD [Center-Democrats], KRF [Christian People's Party] and SF [Socialist People's Party]).

The proposal was presented by Social Democratic foreign policy spokesman Lasse Budtz under the prerequisite that a nuclear-free zone be negotiated with NATO after achieving agreement on a zone in the Nordic countries.

"In addition a Nordic nuclear-free zone must be supplied with guarantees from the two superpowers that the zone will be respected. Thus the zone must be the subject of negotiations with the United States and the Soviet Union after the Nordic lands have agreed on the nature and extent of the zone," said Lasse Budtz.

These words were decisive for the government's decision to live with passage of the resolution.

"This is not a question of establishing an isolated agreement between the Nordic countries and the Soviet Union. An isolating agreement would be extremely dangerous, because the Soviet Union could later refer to the text of such an agreement. And we have often seen the trouble neighbors of the Soviet Union have incurred with agreements, even though as a rule these have been nonaggression pacts," said Prime Minister Poul Schluter.



The prime minister felt it was important that with the new resolution the Social Democrats had not abandoned the resolution from 8 February on nuclear-free zones.

"But we find the new Social Democratic resolution so vague that the government parties will not vote for it," Poul Schluter added.

#### Nordic Region First

The resolution of 8 February realistically supports efforts to establish a nuclear-free zone that includes both sides of the line that divides Europe.

Yesterday's debate, however, revealed that the Social Democrats now support a solo Nordic move if it proves impossible at first to get other areas involved.

"The Social Democrats would prefer to have the zone included in a larger European context, but we are ready to settle for the Nordic region as a trial area," said Lasse Budtz.

The debate yesterday did not change the Danish position on NATO's nuclear weapons as it was formulated for the first time in 1957 by then Prime Minister and Foreign Minister H. C. Hansen. Now as then, Denmark does not want to accept nuclear weapons on Danish territory. The freedom of action any current government has to exercise restraint in a crisis or a war has been retained.

"The wording of the reservation implies that there can be circumstances in which a government can change its mind on this issue. But a decision of this kind must be presented to Folketing," Defense Minister Hans Engell said in his report.

The defense minister also placed great emphasis on the fact that Denmark still takes part in decisions and discussions in NATO on nuclear issues with the aim of influencing developments and receiving information that could be used for the benefit of detente.

#### Sober Resolution

The Folketing debate took place as the result of an initiative by SF and VS and was intended by the two parties as an effort to impale the Social Democrats on statements by the Social Democratic chairman, former Prime Minister Anker Jorgensen. He said on 30 September at a meeting in Farum that the party would not accept nuclear weapons on Danish soil either in wartime or peacetime.

These statements were incorporated by SF and VS in a soberly-worded resolution draft that also referred to the desire to create a Nordic nuclear-free zone and confirmed that Folketing backed NATO membership by a vast majority.



However the former government party rejected the proposal, saying that the party wanted its own resolution passed.

"In other words the Social Democrats are now retreating and do not want to support statements that the party's chairman made outside of Folketing," said Gert Petersen of SF.

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## SHORTCOMINGS SEEN IN SECURITY, DISARMAMENT COMMITTEE

Copenhagen BERLINGSKE TIDENDE in Danish 7 Nov 83 p 9

[Commentary by 'Monitor']

[Text] An informal decision has already been made as to who will be the next chairman of the Security and Disarmament Policy Committee. This means that the committee will continue to exist. But it also means that the foreign minister and the government will have to come to terms with the committee.

Now that Foreign Minister Uffe Ellemann-Jensen is returning to his desk after several hectic weeks he will find a matter that could not compete with the queen's visit to Spain, the talks with Gromyko and a new resolution on medium-range missiles, but on the other hand one that is not that simple to deal with.

This concerns what the government intends to do about the Security and Disarmament Policy Committee (SNU). The original authorization period and membership appointments expire on 31 December, so the first formal question to be decided is whether the committee should continue. It was originally established by the Social Democratic government, to an unenthusiastic response by the parties that now have government power.

The first year of the committee produced a lot of drama and few results. And a year ago there was no disagreement when the security policy majority (VS [Left-Socialists], SF [Socialist People's Party], SD [Social Democrats] and RV [Radical Liberals]) decided to transfer 2 million kroner from the Defense Information and Welfare Service to SNU. Since then not much has been heard about the committee, which has not produced anything itself since it issued a report on a Nordic nuclear-free zone a year and a half ago.

The government would undoubtedly prefer to do without the committee. But it cannot abolish the group. In spite of all the criticism about inertia and the lack of alternative ideas, the committee is seen with favor by the security policy majority. Thus the government is forced to retain it under one form or another. And seen from the government's point of view, it is

not entirely useless either. It serves as a lightning rod for activities that could be even more unpleasant.

Therefore the decisive question is under which form the committee should be continued. The choice stands between an unchanged continuation or a reform that could make SNU more effective. However there are quite narrow limits for how far the government can go without provoking an unwanted reaction from the security policy majority. This could be an argument for continuing the committee as it is now and that is what the government has already done in the economic area by including SNU at unchanged funding levels in the budget proposal.

But this passive attitude cannot be maintained to its full extent either. It does not fit in well with the foreign minister's temperament and under any circumstances there are some decisions that must be made concerning the reappointment of committee members or making new appointments. The question is whether the foreign minister will use this occasion to examine the possibility of making minor changes in the committee.

The main problem is that SNU is not functioning. Neither the committee nor its powerful executive committee is producing anything.

From the beginning the executive committee cowed the rest of the committee with the help of a broad interpretation of its mandate. And the very heterogeneous committee could not get together on repudiating the executive committee's appropriation of the work. Not all the committee members were interested strongly in the work, but even those members who wanted to make an active contribution were quickly shown the error of their ways.

The executive committee itself has not had the desire or the ability to use the power it seized for itself. After the exhausting effort of the first few years to delineate the committee in fellowship--despite deep internal disagreements--the executive committee abandoned playing the role of security policy collective of experts. Instead it worked hard on editing a yearbook and a series of pamphlets and served as a general distribution center for public funds for purposes that were claimed to advance the information level of security policy.

If the foreign minister decides to do something about the problem, he does have--in spite of the narrow political framework--some instruments with which to work. He can change the structure of the committee, its mandate and its membership. Finally he can give it something to do.

The committee consists of 30 people from the political parties, the administration, the research sector and the press. Six of the members (three officials and three researchers) make up the executive committee and one of them is the committee's fulltime chairman. Up to now the chairman has been an official from the Foreign Ministry. But none of these elements is ordained from above. They were established by the foreign minister in the last government.

There could particularly be reason to examine the size and composition of the executive committee. The large size of the committee makes it easier to make various considerations with respect to its composition. But it also means that once the committee reaches an agreement, it will be difficult to take into consideration the views that are brought up by the whole committee.

Weakening the powers of the executive committee as they are formulated in the mandate would be one way to try to improve cooperation between the committee and the executive committee.

But on the other hand this would make it even more difficult to determine what the committee's activities will lead to.

Far more important than the mandate's wording and the formal structure of the committee, however, is the people who in practice give substance to the work of the committee. It is especially here that the decisions of the foreign minister can make a difference.

It has already been unofficially decided that the next chairman of the committee will be Ambassador Kjeld Mortensen. This choice points in the direction of a competent continuation of past activity but not toward any desire to make the committee into a dynamic externally-oriented organ for security policy analysis and debate. That would probably have required a chairman who had made his career in foreign policy.

Politicians serving on the committee are not a problem in the sense that each of the political parties appoints its own representative. The officials on the committee are members by virtue of their posts in the central administration. Here there might be reason to make some structural changes in light of past experience.

The researchers serve on the committee as individuals appointed by virtue of their professional work and--certainly also--their contribution to the public debate on security and disarmament policy issues. Thus in connection with the appointment of research members there is a chance to exercise some discretion, which would of course also include a look at the efforts of present members on and off the committee.

Finally there are the journalists. They too are appointed because of their individual qualifications. But when SNU was first set up, several of the press people who were invited to serve declined for reasons of principle. This was not made any better by the fact that Foreign Minister Kjeld Olesen had not made sure that the designated members were agreeable to the idea before the members of the committee were announced publicly.

The result was a modest and somewhat random representation of press people on the committee. Therefore one of the questions the foreign minister must decide is whether he should try to strengthen press representation or abandon it altogether. It would appear strange to continue the present course.

However there is one other way in which the foreign minister can influence the committee's activities. Under its mandate the committee is to "take up matters and conduct analyses at the request of the government and on the initiative of the committee or its executive committee." So far work has been done solely on the initiative of the committee and its executive committee in particular. The previous government never made formal use of its opportunity to assign tasks to the committee. The present government has not done so either. And really, why not?

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## CHIRAC SPEECH PROMPTS DEBATE ON EUROPEAN DEFENSE POSTURE

## Chirac Urges European Independence

Paris LIBERATION in French 19 Oct 83 p 22

[Article by Correspondent A. B. Levy: "European Defense: Chirac's Challenge is 'Do-it-Yourself'"]

[Text] Chirac's trip to the FRG was for the purpose of launching an idea that "took a decisive step" on the subject of military strategy: a new rehash of the European Defense Community, which was repudiated by the Gaullists in the 1950s.

Bonn--Jacques Chirac did not speak to the Bundestag on Monday, as Francois Mitterrand had on 20 January, but his speech to the Konrad Adenauer Foundation had the effect of a bomb on an audience that was nevertheless used to debates on the defense of Europe.

Happening to be in Bonn in the middle of a pacifist anti-NATO week, the champion of a purely European defense in the face of the European "singular passivity," appealing to the FRG "to participate directly, commensurate with its responsibilities," in that defense, the mayor of Paris caused a sensation: "Should the security of Western Europe be first and foremost the affair of the Europeans themselves?", the mayor of Paris asked first of all, before adding with a frankness that was especially brutal for his German audience, "It is always risky to leave to others what one should do oneself."

"I will go even farther. The impression received by our public opinion that Europe's fate, when all is said and done, is nothing but a stake in the rivalry between the two super-powers, offers a field of action that is favorable to pacifist propaganda. Neither you nor we are accepting the idea that Europe can become a new battlefield, but it must be thoroughly understood that, for all that, we cannot avoid profound reflection on the long-term conditions of our common defense."

But it was after his speech, in the midst of the debate and in response to a question, that the mayor of Paris dropped his bomb: "In less than 5 years," he said, "with multiple-warhead systems (of missiles), the British and French nuclear forces are going to be considerably augmented, they are going to represent a decisive deterrent force. After that, we can envisage in the foreseeable future that a European-American nuclear deterrence will guarantee the security of Western Europe. But," he then emphasized, "it is inconceivable unless Germany participates directly, commensurate with its responsibilities."



This covert advance to the FRG remained, for the moment, unanswered in Bonn.

At the West German Defense Ministry, they contented themselves on Tuesday with sticking to the official line. Europe cannot manage alone, nor can it get along without the American umbrella. The FRG is an integral part of the Atlantic Alliance. Of course we are prepared to enter more deeply into consultation with Paris concerning security, but for now it is impossible to envisage a future in which the FRG would play any other role.

The mayor of Paris, adopting as his own, it is true--paradoxically, perhaps--concepts that were perfected several years ago by NATO, drew up an overall picture of the Soviet threat, not only to Europe with the SS-20 missiles, but also to the regions whence comes, not only the oil that is indispensable to the West (70 percent of the Gulf oil goes to Europe), but also the raw materials (uranium, chromium and precious metals) of southern Africa (South Africa, Namibia and Rhodesia in particular).

"What is even more worrisome," he underlined, "is that everything leads us to think that other countries (than Europe) may tomorrow be the scene of agitation and confrontations that would imperil the stability of vast regions, some of which present, for the West in general and Europe in particular, a vital strategic or economic importance. What a temptation for the Soviet Union!"

The "Chirac Plan" is a simple one.

"To take a decisive step," the mayor of Paris emphasized, "in the area of getting together on their foreign policies in such a way that their diplomatic interventions can really influence events."

"To equip themselves with the means to intervene jointly with all necessary effectiveness when their vital interests or the security of their nationals are in peril."

This "defense Europe" (endowed with a genuine American-type "rapid deployment force"), the experts in Bonn say, is not ending up as it did in the past, notably with the failure of the European Defense Community in the 1950s. In Bonn, in any case, they do not believe this is the time for innovations. This is the time of the deployment of the Pershing-2 missiles, early in December, despite pressure from the Soviet Union, without which NATO's credibility would lose all meanings. Case closed.

#### Socialist Reaction to Speech

Paris LIBERATION in French 19 Oct 83 p 22

[Text] Ten out of ten for the Euromissiles and zero for the nuclear defense of Europe: such were the marks awarded by the Socialists after Jacques Chirac's speech on Monday in Bonn, in which he stated that "it would be disastrous to shy away from the eventual installation of the Pershing missiles in FRG territory on the hypothesis that the USSR would not agree to dismantle the SS-20s." Yesterday Charles Hernu expressed his "satisfaction" with the attitude of the

president of the RPR toward installation of the Pershings and the SS-20s. "I am delighted," the defense minister said, "to find that one of the principal opposition leaders agrees with a fundamental position of the government's policy." However, Mr Hernu was "somewhat surprised" at the RPR leader's statements on Franco-German cooperation. "The government," said Mr. Hernu, "does not need a lesson from anyone on the subject of Franco-German cooperation. It was in February 1982," he reminded his hearers, "that Chancellor Helmut Schmidt and President Francois Mitterrand finally decided to enforce the military clause in the Elysee Treaty. It was in October 1982, at the Bonn Summit, that a permanent Franco-German defense and security commission was set up, which included a small number of political and military officials from both countries. So it will have been necessary to wait 20 years for a treaty to be completely put into practice."

On the other hand, Jacques Chirac's sentence on German participation in the nuclear defense of Europe yesterday aroused lively reactions from several Socialist personalities, who accused him of breaking with the traditional Gaullist policy autonomous deterrence on the part of France. Jean-Pierre Chevenement, the former minister of industry and CERES [Center for [Socialist] Studies, Research and Education] leader, considered the statements by the RPR president as "marking the end of Gaullism." He added, "The idea that Germany could meet such a political responsibility with the nuclear weapon is an idea that will not be accepted by many European countries."

The national secretary for international affairs of the French Socialist Party, Jacques Huntzinger, announced yesterday that the executive bureau of the PS had decided to ask the Socialist rank and file not to participate, either in the action week organized by the CODENE (Committee for Disarmament in Europe) or in the marches and assemblies organized by the peace movement. "The watchword," Mr Huntzinger asserted, "is to stand fast on the fundamental principles of the strategic balance in Europe." Referring to the "blocking, if not the failure, of the Geneva negotiations," the secretary of the PS said he believed that from now on "the affair of the missiles is being played out in the street," but that it was necessary to be "attentive and not let ourselves be impressed."

Moreover, Jacques Huntzinger rose up vehemently against the speech, which he called "irresponsible," given on Monday in the FRG by Jacques Chirac. "To say in Bonn that a European nuclear defense would have to be considered in which Germany could have the right to participate, this is not sincere, or if it is the RPR's official position, we have taken note of it and we denounce its irresponsible character," he said. The national secretary of the PS also minimized the differences within the majority on defense questions when he asserted that the only point of disagreement concerned the Communists' proposal that France take part in the Geneva negotiations.

Jacques Huntzinger acknowledged, however, that it was urgent that the debate on "a security plan for Europe" be opened. He announced that a document was being issued concerning the "security of Europe in the next 15 or 20 years," which was drawn up by the German Social Democratic Party and the Flemish Socialist Party. That document will not be discussed at the next congress of the PS in Bourg-en-Bresse, but Jacques Huntzinger believes it offers "important elements for discussion."

## WILLOCH DEFENDS DUAL TRACK DEPLOYMENT BEFORE PEACE DELEGATES

Oslo AFTENPOSTEN in Norwegian 16 Nov 83 p 11

[Article by Pål Bistrup: "Nuclear Weapons Opponents at the Prime Minister's"]

[Text] "If deployment of new Western intermediate-range missiles is postponed now, this will be very unfortunate for the talks in Geneva," Prime Minister Kåre Willoch emphasized in a meeting with representatives of No to Nuclear Weapons yesterday. The nuclear weapons opponents urged the prime minister and the government earnestly to oppose deployment of new nuclear weapons in order thereby to avoid a new buildup.

The meeting between Kåre Willoch and six representatives of No to Nuclear Weapons took place in the prime minister's office yesterday morning after the organization had requested to present its views on the missile affair.

The meeting was opened by the nuclear weapons opponents' presenting the prime minister with a letter in which they explained the background of their viewpoint. It is stated in this letter that the dual track has not resulted in arms reduction and that the deployment of new Western weapons in Western Europe also will not achieve this. On the contrary, No to Nuclear Weapons believes, such deployment will probably result in rupturing of the Geneva talks and be met by a new Soviet buildup. It is further pointed out in the letter that such a step on the part of the Soviets will probably result in new countermeasures by NATO and thereby introduce a new round in the weapons race.

The decisive factor in preventing such a development is, according to No to Nuclear Weapons, for the talks in Geneva to be able to continue without Western deployment, and against this background they urge the government to oppose such a step. No to Nuclear Weapons also asserts that there is a majority of the people against deployment and that the government therefore must not place pressure on the Storting in this matter.

After the meeting, Prime Minister Kåre Willoch said that he had received a good and interesting orientation concerning No to Nuclear Weapons' viewpoints, but that he continues to maintain that it would be very unfortunate for further talks in Geneva if deployment were now to be postponed.

"If NATO neglects to deploy its missiles now, the Russians will take this as a sign of weakness and thereby be able to continue their deployment of intermediate-range weapons without fear of countermeasures. Postponement of NATO's deployment will therefore have very unfortunate consequences for possibilities of accomplishing mutual arms reduction," Prime Minister Willoch stressed.

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CSO: 3639/29

## SECURITY AFFAIRS EXPERT BACKS INF DUAL TRACK DECISION

Oslo AFTENPOSTEN in Norwegian 12, 14 Nov 83

[Op Ed Article by Professor Nils Ørvik: "Threat and Preparedness"]

[12 Nov 83 p 2]

[Excerpts] The tug-of-war between the socialists and non-socialists regarding Norway's position on deployment of the Pershing II and cruise missiles has raised a debate which goes far beyond the undertaking forming the occasion. What the matter really concerns is, first, to what extent the country's security is threatened; secondly, from whom help is to be gotten should the occasion arise.

The assessment of the threat can be compared to a "thermostat" which controls the level which defense and security measures are to be at. Until a deliberate and obvious breach of the peace takes place, the danger of attack or power pressure is a question of interpretation, where political considerations are just as important--often more important--as the news reports. The responsible authorities, the government and the Storting, /choose/ [in italics] which factors and conditions they will attach most weight to. The security measures which are to avert the danger are decided by this choice. If the "thermostat" is turned to high, a big and expensive national effort will be required to create a balance between the threat and averting it. If the choice is made to turn it to low, the effort will be correspondingly small--and less expensive. A high threat produces high preparedness, and a low threat, low preparedness.

Any government will therefore be tempted to give a low assessment of the threat in order to avoid the shifting of economic priorities which otherwise would be the result. The actual situation in many countries is not, as people often believe, that it is first determined to what extent the country is threatened (danger of war) and then this assessment is allowed to determine the degree of preparedness. On the contrary, it is often the case that a government, according to the "total political overall outlook," as it is called, first determines how large defense means and measures it thinks it can afford, from the political viewpoint, and then comes up with an assessment of the threat which is in reasonable proportion to this. The thermostat is turned down low so that



there can be a balance in the proportion between the threat and preparedness. These two main factors must be in a reasonable relationship to one another. If a government or party is hard pressed economically or politically, it will seem less expensive and simpler to create a balance in the national security account by a downward adjustment of the threat instead of an upward adjustment of the defense budget and other measures for meeting a high threat level.

Each defense measure, procurement of planes, missiles or naval vessels--or increasing the period of service and number of standing forces--is a concrete thing which can be figured out in kroner and ører. An assessment of the threat, the danger of war, is far more difficult, because it must be based on a number of conditions which often can neither be measured nor weighed and which also cannot be brought out and discussed publicly because of the nature of the sources. It must therefore to a greater degree be a subject of interpretation, an assessment which is difficult both to prove and disprove. This will on one hand increase a government's responsibility for letting realities in the danger of war become decisive, not to take a risk with the country's future security, while on the other hand it is tempting to let short-term political and tactical considerations determine the conclusion. This is a choice situation which all Western countries are faced with.

In Norway the assessment of the threat has largely remained unchanged for 20 to 30 years. On one hand an isolated attack on Norway cannot be rejected. On the other hand, such a possibility appears unlikely because it will unleash a major war which would include all of Europe. Since there is general agreement that the Soviet Union does not want a nuclear war, it can therefore be asserted that, from the Norwegian viewpoint, a Russian attack is double unlikely, both directly as far as an isolated attack on Norway is concerned, and indirectly via a Russian nuclear attack on Western Europe. Accordingly, all governments since the 50's have found it safe to set the "thermostat" on low and let defense have equally low priority.

It must be supposed that the Norwegian governments would have come up with such a conclusion on their own, but there is scarcely doubt that it appears more natural because it all these years also coincided with the official NATO assessment of the threat. NATO is what the member countries make it. Norway is not the only country which has problems with getting defense put somewhat higher on the national priorities list. Each and every one of the member governments can therefore strengthen their domestic analysis of the security policy situation by pointing to the agreement in the NATO Council regarding the matter. When it has been read aloud and adopted there, it becomes immediately more difficult for those who on the basis of national needs want stronger preparedness--for the sake of security. Confronted with the compact majority with NATO backing it, their criticism can be rejected more easily.

This tying together of national and NATO-inspired assessments has resulted in the fact that the most decisive factor for the assessment of Norwegian defense requirements is not first and foremost the danger of a Russian attack, but how Norway is to satisfy demands from the military part of the NATO leadership and from military spokesmen in the USA. A successful Norwegian defense policy will



therefore often mean that the Norwegian authorities either were able to comply with requests of the NATO leadership, or it was possible to convince NATO that smaller contributions were necessary and just as sound. This NATO criterion was especially pronounced during the Labor Party's later governments, where criticism from the non-socialist camp could be met with references to the fact that authorities in the USA or in the NATO leadership had approved the Norwegian minimum alternatives. Under the non-socialist government the margin became somewhat broader, but the assessment basis is in principle the same. The threat of a Russian attack is assessed largely as previously, with a low probability rating. Regardless of what changes have taken place in quantity, quality and deployment on the Russian side in recent years, this is still the conclusion as far as Norway is concerned.

With NATO directives as the criterion for the degree of preparedness of the Norwegian defense system, the deployment of the American INF missiles acquires especially central and vital importance. The cornerstone, anchored in the threat assessment which all NATO countries build their national security on, is that because the Soviet Union does not want nuclear war there will not be any Russian attack in Europe. But this is under the assumption that a conventional attack will be met by a counterthreat of nuclear retaliation which the Soviet Union hitherto has not wanted to take the risk of ignoring. It is of course true that the Soviet Union has gained superiority by deploying SS-20 missiles under the cover of detente. The deployment of INF missiles will not change this situation. The decisive consideration, moreover, is not the number of nuclear weapons, but the reliability of the theory that they will be used to prevent a conventional Russian attack from resulting in total capitulation in Western Europe.

This reliability will be weakened if NATO is split on the question of deployment. It will be undermined further if the nuclear protesters gain ground with proposals regarding a nuclear freeze, first use or nuclear-free zones. Such proposals, which the socialist parties are now at the head of, will reduce the Soviet Union's hesitation regarding using military force to further its power politics objectives in Western Europe and thereby increase the probability of a /conventional/ [in italics] Russian offensive which NATO cannot stop with today's level of strength.

Many would agree with the nuclear protesters that a permanent Sovietizing of Western Europe is to be preferred over a nuclear war—if these two alternatives were the only ones possible. But this is not so. It also will not be so if the Western European nations are not seized with panic and commit national suicide out of fear of death. Those who keep their composure and take the time to investigate more closely will quickly learn that mutual nuclear deterrence is a very effective means of preventing war. As long as the Soviet leadership is convinced that it cannot undertake a conventional attack in Europe without running the serious risk of nuclear retaliation, the sharp-edged 30-year-old state of peace will continue to apply.

[14 Nov 83 p 2]

[Excerpts] Norway's Own Effort Too Weak

The theme running through the antinuclear movement is the contention that the large number of nuclear weapons makes nuclear war inevitable and that it is therefore closer than ever before. This is a contention which is without support in actual conditions. A realistic reading of these can yield the opposite conclusion.

While both superpowers 20 years ago could have justified hopes of surviving a nuclear strike by the other side, this is now far less likely. Accuracy, range, reliability and control have increased so greatly in the last few years that if the nuclear protesters do not manage to force the Western powers to unilateral nuclear disarmament both major powers will commit national suicide by beginning a nuclear war. Nothing is certain on the international plane, but since neither of them is disposed to self-destruction, a nuclear war between the superpowers is today far less likely than previously.

While most who share this opinion will find this gratifying and reassuring, at the same time another form of war danger has turned up which is providing grounds for serious worry, especially in those parts of NATO territory which lie closest to the new Soviet empire. The situation has now developed so that while the hindrances to starting a nuclear war have become greater, hesitation against active use of conventional attack forces has become considerably less. This is something which anyone can see by considering the extent and frequency of conventional warfare in the last few years. If anyone 20 years ago had asserted that the superpowers would embark upon such extensive use of conventional troop forces as they actually have done—without this leading to a nuclear war—he would have been written off as out of his mind. Nevertheless, this is precisely what has happened.

The increased use of non-nuclear military forces and means is the strongest and most dependable proof of deadlocking of the two superpowers' nuclear weapons. As long there is total reciprocity in their nuclear weapons capacity, the bilateral "nuclear deterrence" will make nuclear war still more unlikely, at the same time as the danger of conventional warfare will continue to increase.

This will create serious problems for Norway and other NATO countries which for so many years have allowed the conventional defense system to fall to pieces in the belief that the mutual nuclear deterrence would prevent not only nuclear war, but all war, including those in which exclusive use is made of conventional weapons. While it was earlier worried that the nuclear threshold was too low, they will now find that it has now become so high that it can provide room for quite big "little wars" with conventional weapons and that this now can threaten the national existence of many small countries.

If the conclusions which I have presented here are correct, this can mean that the assessment of the threat which has formed the basis for Norwegian security policy for almost 30 years is obsolete, antiquated and inadequate, both in

theory and practice. To believe and assert are one thing. The nuclear protesters have shown how great support can be gotten by just repeating and repeating theories which fit what people want and hope for. On the other hand if one sticks to empirical data and the actual course of events in the development, it becomes difficult to avoid the conclusion that the danger of conventional use of force and small wars has become greater, partly as a consequence of the fact that the risk of a nuclear war has become smaller. This must necessarily raise the question of the tenability of the assessments and assumptions which have been guidelines for Norwegian security policy since the 50's.

According to the textbooks, the Dulles doctrine of "massive retaliation" was rejected and abandoned at the beginning of the 60's. As we know, this was to the effect that any Soviet offensive should be met by complete (massive) nuclear retaliation against Soviet territory. It was realized already then that this was not a reliable theory. Instead, Robert McNamara's "flexible response" was launched.

On the flanks and elsewhere in NATO territory the "buffers" were too thin to have any detaining or averting effect, in the area they existed at all. There were and are to a great extent cases in Norway where the many and far-reaching restrictions will prevent any attempt at "flexible response."

The dual track and the now imminent deployment assume a high nuclear threshold and emphasize the necessity of far bigger conventional forces than at present. It is important to coordinate American and European defense conceptions (cf. AFTENPOSTEN, 22 and 23 September of this year). Moreover, the greatest influence lies in the political area, where total or partial support from the smaller NATO countries can be of decisive significance for the Soviet Union's assessment of solidarity in NATO and of Europeans' support of the U.S. and the will for cooperation. Total support will increase deterrence, while partial or half-hearted cooperation will weaken it.

The Norwegian defense problems require more discussion than there is opportunity for here. Of course, on the part of Norway attention has been paid to the fallacy of "flexible response." But with the low national defense effort, which is not in any reasonable proportion to the danger factors in today's situation, no important increase has been gained either in defense capabilities or deterrence. In spite of well-meant florid talk about calculated reserve and unilateral building of confidence, there continues to exist a gaping void in which, first, there are not sufficient Norwegian conventional forces and, with the high nuclear threshold, also not coverage for the illusions of the 50's regarding massive retaliation. The only thing which can create approximate trustworthiness is large-scale lightning-fast assistance actions which, because of Canadian, British and Dutch insufficiency, can only come from the USA. Those who today are romping in the excitement against deployment and painting black pictures of the Reagan administration ought to draw out the well used designation "total political overall outlook" and look at deployment and assistance actions from this viewpoint.

## LABOR PARTY YOUTH WING MAJOR INFLUENCE ON INF STAND CHANGE

Oslo APTENPOSTEN in Norwegian 14 Nov 83 p 3

[Article by Terje Svabø: "Labor Party Youth Organization (AUF) Gained Ground in Labor Party with Definite No to Missiles"]

[Text] "The Labor Party has changed its arms reduction policy from 1979 up to the present. In 1979 the party supported using threats of possible missile deployment as a tool in working for arms reduction. Today this line has been abandoned," AUF Leader Egil Knudsen emphasizes in a conversation with APTENPOSTEN. Knudsen points out further, "The stand on the missiles was a necessary detour to a definite no on the part of the Labor Party to Western missile deployment. The party's attitude would have been the same in the position of governmental power," he adds.

As AUF leader, Egil Knudsen has occupied a central position in work on the missile matter in the Labor Party. The party's left wing has all the time been the driving force in the development which has taken place from adoption of the dual track to the opposition to following this resolution up which today characterizes the party. This coming Sunday this line will have been fully pursued in discussion in the party's national executive committee.

[Question] Should the AUF get the credit for the development which has taken place in the Labor Party?

[Answer] "The missile question has been one of the matters which the AUF has worked most on since 1979, when the Labor Party government agreed to the dual track. However, the credit for the fact that a development took place in relation to this must not fall to the AUF alone. Other groups in the labor movement also participated actively, not least the trade union movement. That this development has taken place is due not least to the fact that already in 1979 there was a majority in the Labor Party against the dual track, although the majority was not manifested at this time."

[Question] Would the same development have taken place even if the Labor Party had retained governmental power?



[Answer] "Yes, absolutely. As was said, there was a majority against the dual track already in 1979. The development would have been the same, but it would probably have been more difficult with governmental power."

[Question] How would the AUF leader explain the fact that the party has apparently emerged unified from this process?

[Answer] "The most important thing is that a change has taken place in the party's arms reduction policy. In 1979 the Labor Party was willing to use threats of possible missile deployment as a tool in working for arms reduction. Today this line has been abandoned in favor of a line in which a freeze of nuclear weapon arsenals as the first step is the central element."

"In addition, I want to emphasize Gro Harlem Brundtland's contribution. She has led the party's work on this difficult matter. It is clear that the party leader has a significant share of the credit for the fact that the Labor Party has emerged unified from this process."

[Question] Has cooperation with fraternal parties in Europe meant much?

[Answer] "Especially last year cooperation in the Scandilux group has been valuable. Standing together with fraternal parties provides strength. I want to emphasize that the Labor Party has not been the follower in this cooperation. On the contrary, the Labor Party has been out in front, for one thing, in the question of the freeze and nuclear-free zone."

[Question] The stand on the missiles has meant a great deal for the development which has taken place, has it not?

[Answer] "This is quite obvious. In the missile stand we had it asserted that if the superpowers in Geneva did not reach agreement the Labor Party could not support deployment of the missiles. Now we have reached this situation. We can therefore well say that the missile stand was a necessary detour toward the Labor Party's final no to new Western nuclear missiles," AUF Leader Egil Knudsen emphasizes.

8985

CSO: 3639/27

## PAPER VIEWS STORTING RESOLUTION BACKING DEPLOYMENT

Oslo AFTENPOSTEN in Norwegian 17 Nov 83 p 2

[Editorial: "Norway's Responsibility, Too"]

[Text] Confronted with the Labor Party's boundless opportunism in the missile matter, one should hardly harbor expectations of being able to influence the party's stand even with the strongest arguments. By its desertion of NATO's so-called dual track, a track and a negotiation strategy which both the Nordli and Harlem Brundtland governments concurred with, the Labor Party has openly manifested that domestic politics tactical considerations come before consideration for the security of Norway and the West. This tactical play has been carried so far that the Labor Party is actually accepting unilateral arms limitation in the West. For this is what the reality is. In this way we are confronted with a unique phenomenon in Norwegian security policy.

With the scantiest possible majority the Storting in its meeting on Monday will sanction the first deployment of Western intermediate-range missiles. This is a consequence of the "dual track" which gave the Soviet Union a choice between either reducing its own superior nuclear forces or of putting up with new nuclear weapons' being deployed in the West--in order to restore the balance. Should it now be decided to postpone the deployment, it would in a decisive way contribute to weakening the West's negotiation position. As Foreign Affairs Minister Sverre Strøm emphasized in his statement in the Storting yesterday, a postponement will in all probability give the Soviet Union reason to believe that Western deployment will not come to be discussed under any circumstances.

Continued unilateral arms limitation in the West and a still bigger superior force on the Soviet side can tempt the Soviet Union to pressure politics and have catastrophic consequences. What has happened up to now during the arms reduction talks in Geneva gives reason for serious reflection. And it is pure wishful thinking to think that postponement of Western deployment will make it easier to achieve results in the talks.

During the negotiation period the Soviet Union has deliberately chosen to continue deployment of its SS-20 missiles. The facts speak for themselves: When the dual track decision was made, the Soviet Union had 140 missiles. When the



talks began, they had 270 missiles. Now the Soviet Union has 360 missiles with a total of 1080 warheads. NATO still has /no/ [in italics] such weapons.

In addition, there is the Soviet Union's massive superiority in so-called conventional forces. In his statement yesterday, Foreign Affairs Minister Stray referred to the fact that the Warsaw Pact today has at its disposal 173 divisions in Europe versus 84 on NATO's side, that the Warsaw Pact has 42,000 tanks versus a little over 13,000 for NATO, and has 7000 planes versus NATO's 3000. But none of this is obviously making an impression on the Labor Party. The lesson from the 30's has been forgotten.

We are in a period when NATO solidarity is more important than maybe ever. It can be decisive for opportunities of reaching an agreement between the East and West regarding balanced arms reduction in Europe. The experiences from the Geneva talks have shown--to quote Foreign Affairs Minister Stray--that without Western solidarity there is no hope for concrete results. Of course, Norway also has a responsibility in this connection.

8985

CSO: 3639/29

## SINOWATZ ON SPOE, ECONOMIC DIFFICULTIES

Bonn DIE WELT in German 28 Oct 83 p 6

[Article by C.G. Stroehm: "WELT Interview with Fred Sinowatz: 'Austria Is Better Equipped To Deal With the Crisis than Are Other Countries'"]

[Text] At the party conference of the Austrian socialists, Federal Chancellor Fred Sinowatz will become chairman of the SPOE as well. This is another position in which he will succeed Bruno Kreisky, who has retired from active politics after losing the absolute majority in the parliamentary election last spring.

Sinowatz has fallen heir to a difficult situation. The former minister for education in the Kreisky cabinet does not display the intellectual, almost nonchalant, brilliance with which his predecessor managed to fascinate little Austria and the whole world. However, there is no truth at all to some people's contention that Burgenland's Sinowatz, a highly educated man, is a provincial hick. The future will tell whether or not he is a political leader and statesman.

In his interview with DIE WELT Sinowatz made no secret of the fact that his government will burden the Austrians with considerable financial sacrifices and new taxes. Balancing the federal budget, he says, leaves no other choice. The budgetary crisis with its proliferating deficit, he adds, the crisis situation of the nationalized Austrian raw materials industries, are a reflection of "worldwide" events: "We Austrians have dealt with these problems in a relatively adequate manner. After all, our unemployment base is quite low and our balance of payments is in the black; we have a stable currency and considerable social equality resulting from the social partnership." However, he concedes that people have begun to worry.

To the question, whether he did not detect a danger that the SPOE (Socialist Party of Austria) would lose its voters in view of the proposed taxation, the chancellor replies: "There surely is no alternative to our policies." Austria, he says, must retain the "budget policy latitude" and the special status which it enjoys in the international financial markets as a result of its good credit rating. "The program package we have submitted does not only contain tax increases. We have reduced taxes where we feel that we must encourage

the economy toward making investments." The program package--which contains the financial burdens--should constitute a contribution to the fact that "we Austrians are better equipped to deal with a crisis than are other countries."

To the question of whether the final consequence of "sharing" political power might not spell defeat for his party, the chancellor replied: "A social democratic party cannot restrict itself to governing in fair weather only. We must govern when faced with head winds as well."

Additionally, he continued, the Social Democratic Party will continue on its course of making reforms in the area of education, the legal system and equal opportunity.

As to nationalized industries, said Sinowatz, the reorganization intended to breathe new life into the many enterprises which are operating at a loss, has been underway for some years. However, he said, we want to go about "restructuring and going into final production" as well as implementing the necessary austerity measures in such a way that "we will discuss the matter with the workers" and "find a solution through social planning if it should become absolutely necessary to reduce the number of employees."

Among possible solutions to the problem, the Austrian chancellor visualizes a lowered retirement age and a shortened work week. Sinowatz looks at the problem more from the worker's standpoint than from those of management or the national economy: "If jobholders, having heard that thousands of jobs will be eliminated in the future, insist on representation of their interests and do so in a loud voice, this is understandable."

Necessary economic policy measures will be implemented in such a way, he indicates, that they will result in the least possible harm to jobholders. Organizationally, the social system will be maintained in its present form, and the budget will continue to contribute "incentives for the economy."

Next, Sinowatz discusses a particular feature which makes the SPOE different from its German sister party, the SPD; the chancellor leaves no doubt in the interviewer's mind that he considers the difference a positive achievement: "We are a party with a strong membership. We have almost as many members as the SPD has in the FRG--meaning that we have close liaison with the people on the outside. There is very close contact between the leaders and the many officials of the party, and the people."

Sinowatz evidently considers his own role to be one of an "integrative figure" and says: "While there are different trends within the party, we have neither a right nor a left wing, and we'd rather have it that way. It would not conform to our party's tradition." However, the federal chancellor continues, we must not lose sight of the fact that the young people have a new life style, also, there is a need for a new, living democracy within the party as well. "We will have to work toward overcoming the obviously existing polarization of the generations. The reason for this is the fact that for the older people today's circumstances constitute a fulfilled vision, while the young ones take them for granted."

Sinowatz is asked whether the conflict between the generations within the SPOE might not lead to open dissension and radicalization, as it has in the SPD. His reply: "The SPOE is an extremely centrist party. As I've said before, we are a party within which there are a number of trends, but without a radicalization of extreme viewpoints. We want to keep it that way. We want to keep to the middle of the road. The link between theory and practice--that is the valuable asset which we must preserve."

How is it, we continue our questions, that Austrian social democracy, say during the time of Austro-Marxism, was considerably more radical than was the German social democratic majority of that period--while today the opposite appears to be true?

"I'm not sure that it is true that the party was more radical then," the chancellor replies thoughtfully. "One particular fact is very significant in this party's history: the Austrian workers' movement has always been unified. In Austria there has never been a communist party which was a factor. Even in the days of Austro-Marxism, between the world wars, there was only one single party which represented the workers' movement."

Of further interest is the SPOE chancellor's attitude toward the opposition, the Austrian People's Party (OeVP), which is the other great political power in the country apart from the socialists and which can be considered a rough equivalent of the CDU/CSU. How wide or how deep, we ask, is the rift between the SPOE and the OeVP?

Says Sinowatz: "After 1945 we in Austria tried not to deepen the rifts which existed during the First Republic. We have learned a lot from experience: the end of democracy and the civil war (between the Christian Socialists and the Social Democrats) in 1934; national socialism in 1938; and even after 1945, the time of occupation with its requirements for unified efforts to maintain Austria as an entity and a free country. What separates us from the OeVP is a very pronounced political attitude. The Socialist Party operates according to its programs, even in its ideology; the OeVP on the other hand is a collection of vested interests. But there is of course a democratic relationship with another democratic party. There is personal recognition of those who are politically active in another party."

During the interview, Sinowatz almost seemed to lose his temper and his patience only once. That was when we asked him whether Austria's failure to participate in the pilots' boycott of Moscow flights after the shooting down of the South Korean airliner might not be interpreted as turning its back on neutrality and embracing neutralism.

The chancellor firmly rejected that. There was no reason at all for doubting the continuity of Austrian foreign policy. The boycott question "concerned the pilots," not the Austrian state. "During the last few decades we haven't participated in any boycott actions, unless they were based on UN decisions." He then went into further detail: "We are a neutral state, but we are not a neutralist state. We adhere to neutrality from an inner conviction, but we

firmly belong to a pluralist democratic system." Austria, he added, has good relationships with the signatories of its state neutrality agreement, i.e., the four major powers. This is a common sense requirement for the Austrian state. "If at the intersection between East and West, in a part of Europe which has historically always been a difficult region, an area preserves peace by following a good foreign policy, this may serve as proof that we don't wish to be neutralist."

Sinowatz adds for emphasis: "We raise our voice when human rights are endangered anywhere in the world."

9273

CSO: 3620/60



## U.S., USSR COME UNDER ATTACK AT MEETING OF GREENS

Helsinki HELSINGIN SANOMAT in Finnish 31 Oct 83 p 9

[Article by Eero Ojanen: "Low Profile at Greens Meeting; Neither Platform Nor Party Established in Jyvaskyla"]

[Text] Jyvaskyla (HS)—The Greens movement continues to be the oddball of Finnish society and politics.

At their second national meeting in Jyvaskyla the Greens did not decide on commonly approved goals. Plans for the founding of a Green party were also for the time being shelved.

The feeling of solidarity and common goals is, however, so evident that the existence of a need for the movement was not even questioned. On the contrary, the Greens will maintain closer contact with one another.

#### The Movement

Almost all of the approximately 400 people who met in Jyvaskyla were young and came from different parts of the country, most of them, however, from the cities.

Not anywhere near all of them belong to Green associations per se and it was really hard to find an average Green at the meeting.

The Green movement appears to attract people for a large number of reasons. Perhaps most of these people merely want to do something concrete in their own immediate environment. They oppose environmental hazards, want to cut down on waste by, for example, promoting the utilization of waste materials or want to oppose bureaucracy in their own offices.

Another group evident in Green circles consists of theoreticians and scientifically oriented individuals who are impatient with the lack of theoretical perspective prevailing in their own fields and are developing a soft technology and a critical kind of social science as a counterweight to it.

A third group consists of policy-makers who also want to influence major issues, create good policies with good people instead of bad policies with bad people.

Then, constituting their own group are the different oh-ah people, whom a vague new movement like this which arouses public interest always attracts.

It is, of course, easy for anyone to mold his own ideal image of what the Green movement is out of this hodgepodge and maybe its success in the Gallup polls stems precisely from this.

#### Goals

Considering these points of departure, it is no wonder that the first general discussion on Saturday was very confused, and it distressed and frustrated many of those present or even made them aggressive.

Evening and morning sessions in earnest confusion are much more suited to people clothed in jeans and sweaters.

Perhaps the broadest discussion was engaged in in the workshop conducted by Osmo Soiniwaara which dealt with economic policy and employment. To be sure, in this group too very conflicting views on the future were presented. Some spoke of a reduction and redistribution of labor along with automation and a new technology. On the other hand, others demanded a return to considerably more labor-intensive methods, especially in the farm and forest economy sectors, on ecological grounds.

In the workshop for the consideration of peace issues, they roundly hauled both superpowers over the coals. Marko Putkonen of Helsinki, who presented the results of the workshop, said that the United States and the USSR are like drug addicts who constantly need more drugs — arms.

The only hope lies in small, neutral states that could serve as something like psychologists.

Some criticized the workshops for being too reminiscent of therapy sessions. On the other hand, some did not approve of ready-provided topics at all, instead forming their own groups to deliberate on the course of the world.

Introduced by Heidi Hautala, the closing debate on Sunday dealt with the organizing of the Greens and was conducted in a perfectly harmonious spirit. The Greens like to jeer at Finnish policy for its low profile and aspirations for widespread unanimity. But now precisely the same situation seems to be prevailing within the Green movement. Differences of opinion are toned down and they try to ignore difficult issues. Only Aulis Junes managed to somewhat find fault with the fashionable theoreticians. The otherwise anticipated heated encounters were not produced.

#### Ways and Means

Moderate opposition will be the Greens' policy in future too. The most concrete result of the Jyväskylä conference was the making of contacts: Some committees will also continue their work in one way or another after the conference. More local Green associations will gradually arise in addition to the committees that are considering different topical domains.

No revolutionary forms of direct action were developed at this meeting. To be sure, money was collected for those who were fined in connection with the Alta-Joki demonstrations, among other purposes. Preparation for the municipal elections induced many people to talk.

No one here clearly supported the idea of founding a Green party. However, the development and maintenance of national contact was generally viewed as necessary. The Greens, nevertheless, want to preserve their independence, also with regard to other Greens. They strongly oppose a situation in which some might also offer their opinions on behalf of others.

"Talk less about what we think and just use the pronoun, I, freely," a speaker who received a lot of applause urged the other speakers to do.

11,466

CSO: 3617/34

## PAPER ON GREENS CONGRESS: MOVEMENT STILL SEEKING IDENTITY

Helsinki HELSINGIN SANOMAT in Finnish 1 Nov 83 p 2

[Editorial: "Greens Still Also Seeking Identity"]

[Text] Those who have longed for something new from the political alternative movement of the Greens were disappointed. In terms of content, the second national congress, held in Jyväskylä, was a vague meeting of interested persons who were incapable of agreeing on anything at all other than the coming meeting next spring.

But they hardly attended this meeting with very high hopes either. The movement's biggest common denominator is, of course, ideals and, in connection with them, an illusory, utopian, ideal society. In it there would be less damage to the environment, less pollution and less bureaucracy, but more so-called soft values and a sprinkling of the past, a return to a natural economy.

The movement's attempts at formulating a platform did not acquire generally approved content and form in the workshops, to say nothing of the methods by means of which their common goals might be achieved. Thus Green ideologists are at least so far just as helpless in terms of practically solving problems as the parties and labor organizations are.

There also appear to be two lines of thought among the Greens about the ways of influencing the society. Some of them would apparently use the normal channels of influence in national and municipal politics, while, on the other hand, some would still prefer to resort to extraparliamentary pressure techniques.

Just as with all other green movements that have been initiated elsewhere, the movement here in Finland is also unsettled and discordant, necessary as a collective body of individuals pulling in different directions. In its existence it has already shaken party establishments loose from the past to gaze into the future, across the generations of the present. Better than the parties, the movement has indeed singlehandedly raised the issue of the long talked about dangers that threaten mankind.

This shaking off of the past has neither been in vain nor without results for the movement itself either, a fact a recent opinion poll attests to. In light

of the rise in support for it, whether the Greens have a commonly agreed-on platform or whether they are going to organize themselves nationally would even appear to be of secondary importance. A growing number of people are in any event inclined toward a new way of thinking and acting for their own good and that of mankind.

The conventional parties should also recognize this in time and draw the necessary conclusions. Otherwise, the Green movement will not just be a thorn in the side of the parties. Its entire direction of growth is away from the parties, which have up to now served as democratic channels for population groups to exert their influence.

11,466

CSO: 3617/34



## RIVAL COMMUNIST NEWSPAPER JOIN IN CRITICIZING GRENADA MOVE

Eurocommunist Organ: American Imperialism

Helsinki KANSAN UUTISET in Finnish 26 Oct 83 p 2

/Editorial: "Imperialist Crime"/

/Text/ American imperialism has never wanted to be satisfied with the fact that Latin America is no longer under its control, but many of its countries are seeking an independent and even socialist path of development.

Grenada, separated from England and pursuing an independent policy, has been a beam in the United States' eye throughout the entire time of its existence. This has been so especially since it drew nearer to Cuba and revolutionary Nicaragua.

Now the Reagan government has decided to act, making use of the situation arising as a result of the internal coup that took place on the island.

The goal of the purely imperialist attack is clear: they want to stifle one little island of national liberation and return the island state to neocolonial dependence on imperialism.

The United States' Navy has been sailing in Central American waters for months already. One of the intermediate goals of the cruises has now been accomplished in a bloody manner.

The conscience of the world will probably condemn this villainous deed harshly.

Moscow-oriented Paper Hits 'Rightist' Press

Helsinki TIEDONANTAJA in Finnish 26 Oct 83 p 2

/Editorial: "The United States' Attack and the Rightist Papers"/

/Text/ The rightist papers in our country see an opportunity to make propaganda against the Soviet Union and socialism even in the United States' crude attack on Grenada. While appearing to be based on a doctrine of superpower fairness, they remember to compare the United States' attack with the help given by the Soviet Union to Afghanistan.

The sending of Soviet troops to Afghanistan and their presence there is based on repeated appeals from the legal government of Afghanistan and on agreements between two independent countries. Comparison with the United States' criminal attack on Grenada is untenable according to international law and politically outrageous.

To say nothing then of the fact that nature of these two matters is completely opposite. In Afghanistan it has been and is a question of defending the democratic development, human rights, and independence of the country against reactionary attacks led from outside the country. In Grenada and other areas that have been the targets of pillaging by the United States, is is a question of destroying the independence and democratic development of independent countries and of trampling human rights.

#### American Attack on Grenadan 'Independence'

Helsinki TIEDONANTAJA in Finnish 27 Oct 83 p 2

[Editorial: "Hands Off Grenada!"]

[Text] Just a few days after President Reagan's announcement of establishing a permanent military base in Lebanon, we received a new display of the United States' government policy of world domination: Americans destroyed the independence of Grenada and occupied this little island state.

The "democratic triangle" of Cuba, Nicaragua, and Grenada in the Caribbean Sea area has been irritating to the U.S. Government for a long time. Now two corners of this triangle have become the targets of open armed intervention by the United States, and it is probably only a question of time before the Americans will try the same thing with Nicaragua that they did with Grenada, but with an attack of larger dimensions. An increase in the fighting against Nicaragua points to such an attack, and it became very clear in the light of the destruction of Grenada's independence.

Reagan announced unashamedly that the American soldiers had gone to defend the safety, law, and order of the Americans on Grenada. In this case the U.S. Government's concept of law and order was brought forward very graphically. It is the same thing as trampling the rights of nations into the mud and the destruction of the independence of nations. The name of imperialist terrorism has been given to Reagan's operation, and that is what it is.

The criminal attack on Grenada is yet another link in the unbreakable chain of evidence that shows that every act of the Americans in one way or another crushes the basis for permanent peace.

The danger for world peace from the United States' attack is especially great because the United States has inflamed the international situation through many other acts until it is highly flammable. No wonder then that people throughout the world are astounded with the United States' procedure. On the other hand, the determination of people to act on behalf of national liberation and peace has increased.

## BRIEFS

SWEDISH PAPER ON SWEDISH PARTY ROLE—Henrik Osterholm has developed his idea of the Swedish People's Party (RKP) as a representative of liberalism in all Finnish policies in HUFVUDSTADSBLADET (independent). "Traditionally, the importance of the RKP has been that it is a watchdog for the interests of the Swedish-speaking population. In the present situation the party has acquired, or might acquire, a new significance. The RKP is the only party that presents itself on the basis of a liberal platform. "These liberal ideas and solutions for which we work will not, however, be permitted to involve only 'Swedish' issues. They will cover all sparsely settled districts, religious minorities, Lapps, Gypsies, wage-earners, cultural workers and other groups that are easily subject to oppression. "I have not said anything about changing the party's linguistic status. On the contrary, I stress the fact that a stronger liberal emphasis in the party will force conservative members to choose between linguistic solidarity and political ideology." [Text] [Helsinki HELSINKI] SANOMAT in Finnish 29 Oct 83 p 12] 11466

CSO: 3617/34

## COMMENTARY ON CRAXI'S INSTITUTIONAL REFORM PROPOSAL

Rome RINASCITA in Italian 26 Aug 83 pp 11-12

[Article by Franco Bassanini: "Is the Institutional Reform Round Table Discussion the One that Determines the Majority Round Table?"]

[Text] The institutional reform in the Craxi government program is a proposal of ambiguous methodology that arouses the widest reservations. The continuous call for the unity of forces implies that the proposed reform was decided on beforehand, which takes away any autonomy from the institutional reform round table. This is an exorbitant claim of authority for the government and the majority. There are too many unanswered questions.

With a certain dose of ingenuousness, there were those who deluded themselves into thinking that they could draw from the note of confidence clear indications about the proposals for institutional reform of the government majority. The illusions vanished; the debate and the first phases of the five-party coalition of the socialist premiership have confirmed--perhaps even aggravated--the many ambiguities that characterize the institutional chapter of the government program.

Ambiguous, to say the least, is first of all the method that the government intends to follow. The method of the two round tables, mentioned in the beginning phase of the formation of the government, aroused interest and some diffidence on the Left. In principle, the distinction between the two round tables is implicit in our institutional system and, perhaps, in any democratic order reforms and innovations that concern the rules of play, the order and functioning of the democratic mechanisms, the organization of coexistence, of rights and freedoms of citizens. In short, the original constitutional pact cannot but be adopted with the participation of all the political democratic forces and on a basis of agreement much wider than that necessary for ordinary government choices. The provisions of the constitution which impose, in some of these cases, qualified majorities (for the revision of the constitution and the approval of constitutional laws, article 138; for the adoption and the modification of parliamentary regulations, article 64; for the election of the president of the republic, "guarantor of the constitution," article 83, and of the constitutional judges of parliamentary derivation, the constitutional law number 2

of 1967) express a general principle: where the disposition of the institution, and their modifications are discussed, the application of the method of the free formation of the majorities on the basis of a democratic dialogue among all the political forces is not a sufficient guarantee of democracy and freedom.

There is no doubt, for that reason, that weighty proposals of constitutional reform must be discussed and agreed upon at a table at which sit, with equal dignity and with the legitimacy that each derives from the electoral consensus, all the democratic forces of the majority and of the opposition. But this conclusion, that is imposed as obligatory by the same constitutional pact that is the foundation of democratic coexistence, carries with it some obvious corollaries. And this is: that the institutional reform round "table" be effectively separated from the round "table" of the government majority; that, therefore, the first does not represent only the place in which are recorded and confirmed decisions agreed upon around the second; nor that the institutional reform round table be instrumentalized to offer to the tottering table of the majority of a heterogeneous and contentious government the support of stabilizing artifices invented by the fertile imagination of institutional engineers of the majority.

The diffidence and the perplexities of the Left cannot concern, therefore, and in fact, did not concern and are not concerning, the opportunity to sit at the "separate" round table of institutional reforms. If the Left appeared diffident in the past towards the promoters of a "grand reform" of the institutions, it is because often the intentions, objectives, and principles (and are not now) clear; and it is because the same term causes one to think not of the reforms necessary to make "this" republic function and to implement the values and the principles of "this" democratic constitution, but it makes one think of the troubling hypotheses of the second republic, upheld by a new constitution of decisionistic or authoritarian inspiration. But the Left--as is known and is indisputable--not only has not opposed but has never even converged in a determined manner--often winning the obstructionist resistance of the DC and of its allies--to complete the reforms necessary to bring about the democratic model called for by the constitution and to adapt the institutions to the transformation of society. (It would be enough to think, not to go too far back in time, of the autonomy of the regions, of the workers' statute, of the divorce and abortion legislation, of the reform of the parliamentary complaints of 1971, of the police reforms, of the military discipline law, of the regulation of the Italian radio-television and publishing and the budget and accounting of the state.) And now it is the Left that combats, with continuity and commitment too often frustrated by the dilatory intentions of the majority, for reform of the public administration of local autonomies, of the premiership and of the organization of the government, of the new soil regulations, of the law against sexual violence, and for the reform of the investigatory body and of the procedural penal code.

Did Prime Minister Craxi not know--or did he pretend not to know--all this, when in his programmatic discourse of the eighth legislature, he claimed credit for having posed the problem of institutional reform, against whoever (the PCI, above all), not having noticed "the signs of a decadence of institutions," "was simply standing with his head turned around"? Or is this notation symptomatic



of an imposition of a thematic of institutional reforms divergent and opposed to the traditional one of the Left, that is based on the expansion of the democratic government of the economic-social processes, and of the rights and freedoms of citizens? Or is it, in point of fact, symptomatic of the intention to take even the formulation of institutional reforms to the round table of the majority, hoping to be able to find there the pretext for a prejudicial refusal on the part of the major party of the opposition?

However it is, neither the program, nor the note of confidence debate offers quieting elements about the method that the government proposes for institutional reforms. The method of two round tables not only is not expressly cited in the government program, but it is substituted by a confusing division into four of the fields of intervention, for each of which is foreseen a diverse method.

First of all come the "grand reforms," "implying possible revisions of the constitution itself." Here the government recognizes the authority of parliament, but it predetermines its head (the intercameral commission that was launched, not without bewilderment and disputes, at the end of the eighth legislature), and above all, it calls the government majority to the necessity of operating in such a seat "with intentions coherent with the objectives of stability and modernization in view of which it gives its support, with a community of intentions, to the government program." Thus, the autonomy of the institutional reform round "table" is expressly negated, at which table the majority would have to present itself as unified, having predetermined and agreed within its inner circle on the lines and the proposals to approve. With this, the dialogue at the institutional reform round table would assume a merely ritual character, for the sole end of lending formal obedience to the constitutional principles and of allowing the opposition to save face in some fashion.

In the second place come the problems of "the organization of parliamentary work and to the manner in which in it is allowed the actualization of the government program." Here the government recognizes (and how could it not do so, before the explicit dictates of articles 64 and 72 of the constitution?) the "exclusive and autonomous responsibility of parliament." But it underscores the "unavoidable duty of the government to signal the urgency of solutions that allow the programmatic commitments to translate themselves into decisions adopted in actual time by a majority aware of its responsibilities." And it suggests a kind of list of priorities for the reform of parliamentary regulations, in tendency oriented toward the strengthening of the powers of management of the government vis-a-vis its own majority and toward the reducing of the power of the role of decision and supervision of the parliament (the prevalence of the open vote over the secret vote, the preferential lane for the bills of the government, the guarantee of deliberation on the executive decrees, on the budget and on the financial bill within constitutional terms). In a necessarily more cautions form a double negation of the autonomy of the institutional table emerges here also: it is seen, contemporaneously, as the instrument of recording of proposals formulated by the majority, and as the instrument of recording of proposals formulated by the majority, and as the instrument to assure the government more agile and rapid ways to realize its program, avoiding confrontations and inspections which are too piercing on the part of the parliament.

In the third place come "the problems pertaining to the organization of the executive and of its apparatus," the partition between parliament and the government of the normative powers, and the local autonomies (including the regional autonomies, ordinary and special). Here the program of government is expressed without veils or obstacles of any kind, claiming on the matter the "primary responsibility of government." Whatever the juridical foundation of this claim is, is not clear. It is a matter, in fact, of problems that are part, in full title, of the institutional substance: for some (the rules of special autonomies) the constitution prescribes, in point of fact, the recourse to constitutional laws; for others (the rules of the regions of ordinary statute, the ordering of the presidency of the council and of the ministers) it disposes a reserve of law that has been interpreted in the sense of the attribution of parliament of a role which is, respectively, arbitrary or regulative in situations in which the executive is, necessarily, directly interested. The redefinition of the division of the normative competencies between parliament and government (the so-called "legalization," of which the electoral program of the PCI recognizes the opportunity) is, finally, (there are ever so many others), one of the key problems of the debate on institutional reform. Understood correctly, this requires a complex labor for parliament of redefinition of the legislation of sector, to separate the instructions of principles, objectives, parameters, procedures (that must remain within parliamentary competence) from the merely actuating norm-setting that can be attributed to the executive and to the local autonomies, according to the respective competencies. When, instead, the decisions of substance are simply delegated to the government (also here legitimizing it to operate as judge in its own cause), they can bring about upsetting institutional effects, so as to leave an oil stain on the entire constitutional system, even to modifying the same form of government (as the Gaullist constitution of 1958 teaches).

If the judicial foundation is uncertain (nonexistent), the political reason for this claim of competence for the government and for the majority is very clear and alarming, on the other hand. Whatever may be the autonomy recognized at the institutional table, the government program removes, however, a quite conspicuous part, that includes a good part of the system of normative sources and the reorganizing of the presidency of the council and of the ministries, the reform of the administration, of the management and of the administrative structures, the reform of inspections, the regional and special autonomies and the local finance, the ties between administration and citizens. Not only, therefore, does the institutional table risk recording, by second hand, decisions adopted at the table of the majority of government and not only does it risk being used as the support of this latter; but, in the end, it risks also remaining a semi-empty table, around which will not even be discussed problems that also represent the substance of any institutional reform.

It remains, finally, a problematic that "involves together the responsibility of government, of parliament and of the parties," and that is, that of "guarantee of a solid morality of the political-institutional life," as the government program expresses itself, dedicating few and reticent allusions to the moral problem. Under the profile that we are examining here, the approach seems correct. There is no doubt, in fact, that the moral problem involves not only the responsibility of the legislator (the regulation regarding appointments, for

example), but also, and in the first place, the conduct of the government and and of the parties in the exercise of competencies (administrative, organizational, financial management and political criteria) precisely of the executive. But curiously (or significantly?) the government ends here by playing "pass the blame," affirming that for a "great part" of these problems "the government will be able only to hope that its reflection in the competent parliamentary seats arrive promptly at useful results," as if it befell to parliament exclusively, to make a single example, to exercise the powers of precautionary suspension of so many P2 members still nested at the top of the institutions of the state.

Not lesser perplexities arise, however, in the face of the contents of the institutional reform delineated in the program of the Craxi government. I do not refer here to the specific objectives and to the single solution proposals indicated in the paragraphs of the program, for the rest formulated almost always with generic expressions good for any purpose or in the form of noble declarations of intentions (and with good intentions, as one knows, hell is paved). It will be necessary to discuss them in depth, on the merit of single problematics (and Berlinguer has already begun to do it, branding the programmatic "unitary vision" of the office of the public prosecutor as the application in Italy of a Bulgarian model, tending to an inadmissible political supervision of the activity of the procurators of the republic). I refer, at the source of individual proposals, to the complex philosophy, to the criteria that inspire the institutional reform that the government proposes; and, coherently, to the scale of priority, to the hierarchy of the reformistic interventions proposed.

First of all: the political program of Craxi does not resolve, and neither does it affront (and for a reason!) the two fundamental knots of the Italian institutional crisis that condition every serious reform of the state: the paralysis of the democratic mechanisms generated by anticommunist discrimination and by the inoperativity of the rule of alternation between the majority and the opposition (between conservatives and progressives); the occupation and the dividing up of the state on the part of the DC and its allies, and the consequent degeneration of the ties between civil society and institutions. (I refer, on the point, to the considerations--however obvious--that I developed 3 months ago in RINASCITA.) The first problem is not even mentioned in the program of government; for the second the actual dimension and the political significance are ignored.

The prime minister in office, Craxi, has not even taken into consideration the hypothesis of a majority of government of the democratic alternative, that even electoral results do not exclude, in the parliament of the ninth legislature. With this he has not only demonstrated his desire to make privileged the continuity of the political criteria and disposition of existing power (even in the rotation of the management of government) with regard to the petitions for change, of reform and of transformation, moreover, diffuse in Italian society. But he has also demonstrated a lack of desire to take action in the obvious consideration that each true institutional reform presupposes, first of all, the overcoming of the anomalous condition of a blocked democracy.

However, Craxi has not limited himself to ignoring the real dimension and great political significance of the moral problem, intuited, on the other hand, in

the government programs of Spadolini (who did not want, or could not, then, turn his many words into deeds!). He wished to show with deeds that the socialist presidency does not intend, in fact, to represent even on this point a rupture with the methods of public management that have characterized the system of power of the DC. Thus, the formation of the Craxi government has followed faithfully the tired models of a division among parties and factions of pieces of executive power, premise and guarantee of office and the division into lots of public agencies, banks, radio-television networks, enterprises of the state, contracts, places of work and shared responsibilities. And the socialist premiership has innovated nothing with respect to the regulations of the Cencelli manual. Furthermore, even the marginal innovations recorded with the Cossiga and Forlani governments are missing (ministerial responsibilities to nonparliamentary technicians, as Reviglio and Giannini), Spadolini (an attempt, although an almost failed one, to apply article 92 of the constitution), Fanfani (partial renewal of the DC delegation, leaving out a rigid application of the Cencelli manual). The number of ministries and of undersecretaries (even the PSI, with the Torino plan, launched the idea of repopulating the ministries!) is still rising; both are chosen by secretaries of the party and by heads of factions with a pharmacist's balance, to satisfy--in scorn of any criterion of competence, capacity, authoritativeness, acquired experience--appetites and personal ambitions, or needs of equilibrium factions and sub-factions. Into the large division enter also the presidencies of the parliamentary commissions, parcelled out with analogous criteria, after tiring negotiations between the heads of the majority groups. Prestigious offices (from the Ministry of the Budget to the presidency of the chamber's Commission of Constitutional Affairs) are distributed, by the same logic, to parliamentarians who figure in the lists of the P2 lodge (moreover, the president of the council is that same Honorable Forlani who, for almost 2 months, held in a drawer the explosive documents hidden in the Gelli Villa, in a vain attempt to bury the scandal).

The same inspires the ultra conspicuous institution of council of cabinet, organ of rather uncertain constitutional legitimacy (as the head of the liberal group, the Honorable Bozzi has pointed out); one has tried to credit it as the instrument of recovery of collegial autonomy in government, against the prevarications of the secretaries and heads of the parties. But looking clearly, this represents on the contrary the instrument to consolidate the extre-institutional power of the secretaries of the party (and of the factional chiefs of that agglomeration of parties that is the DC), to the damage of a council of ministers reduced to a (redundant) body for the registration of decisions of the directorate. And thus the Ministry of Finance, whose role is essential in the determination and in the actualization of economic policy, is excluded from the cabinet council (because the Italian Republican Party is represented by its secretary, Senator Spadolini, who is also the title-holder of the Ministry of Defense), while the Ministry of the budget takes part in it, because in this case its title-holder is secretary of the Italian Socialist Democratic Party. This is a demonstration that, already, one is not dealing so much with an organ that guarantees the autonomy of a government institution, so much as with a group which, in the meeting of the "representatives of the parties of the heart of the government" (Sandulli), sanctions it and institutionalizes its illegitimate subordination to the parties of the majority.



The few, reticent lines dedicated by the government program to the moral problem are not, therefore, the fruit of a casual lack of equilibrium in the economy of programmatic formulation. Notwithstanding the vote of 26 June, in its many and complicated contours, it also expressed the rejection by public opinion of these methods, this system of power, this degraded and degrading conception of politics. Notwithstanding how high the cost may be--even in financial terms and in terms of the efficiency of administration--of the occupation of institutional offices by parties and factions, of the spread of lot division and corruption, of the preference for the purse-carrier and the procurer of shared responsibilities over the capable administrators and the competent technicians, Craxi seems to have made even here a precise choice for continuity with the past.

12479

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## POLL SHOWS WILLOCH GOVERNMENT RAPIDLY LOSING POPULARITY

Oslo AFTENPOSTEN in Norwegian 18 Nov 83 p 3

[Article by Thorleif Andreassen: "NOI [Norwegian Opinion Institute]/  
AFTENPOSTEN: Government Less Popular"]

[Text] The government's popularity is rapidly decreasing. From August to October the popularity curve dropped an entire 10 percent. Now only 36 percent declare themselves satisfied with the government's job, while 56 percent are dissatisfied. Eight percent do not know what they think. The Conservative Party's voters are clearly most positive toward the 3-party government, 76 percent. Then come the Christian People's Party and Center Party coalition parties, with 68 and 59 percent, respectively. A whole 90 percent of the Socialist Left Party's voters are dissatisfied with the government's job up to now.

This is the conclusion of a poll Norsk Opinionsinstitutt [Norwegian Opinion Institute] took for AFTENPOSTEN in October. The figures are a little discouraging for the government. With the exception of the Christian People's Party's and Center Party's voters, who are just as satisfied as before, all other groups express declining confidence. "Are you satisfied with the government's job up to now?" The answers to this question were distributed as follows on the basis of family income and party affiliation:

<u>Answer</u>	<u>Family income</u>			<u>Political sympathy</u>						
	Under 100,000	100,000- 159,999	160,000+	Labor	Pro- gress- ive	Con- ser- va- tive	Chris- tian Peo- ple's	Cent- er	So- cial- ist Left	Li- beral
Satis- fied	33	33	41	11	41	76	68	59	8	20
Dissatis- fied	57	58	53	80	52	19	17	38	90	70
Both/medium	5	4	3	4	4	4	6	4	2	1
Do not know	5	5	3	4	3	1	8			9

The coalition government is most popular in Oslo and Akershus. Here 41 percent answer that they are satisfied. The lowest popularity is registered in the rest of Østlandet [East Norway], where 59 percent are dissatisfied. As far as opinions among women and men are concerned, they coincide in the most essential aspects. The government's popularity is biggest among voters over 60 years old, 38 percent. Of those answering negatively, most, 58 percent, are in the 30- to 59-year-old age group.

The government has low support among LO [Norwegian Federation of Trade Unions] organized people. Only 15 percent are satisfied, 75 percent are dissatisfied, 7 percent answer both/medium, while 4 percent do not have any opinion about the government's job.

On the other hand, the Willoch government's popularity is bigger among voters who are affiliated with other trade organizations than LO. Of these, 40 percent are satisfied, 54 percent are dissatisfied, 3 percent answered both/medium and 3 percent do not know.

About the same viewpoint holds true among non-trade-union-organized people. "We are satisfied with the government" is the answer given by 41 percent of this group, 10 percent more are of the opposite opinion, 4 percent are medium satisfied, while 5 percent do not know what they think of the government's job up to now.

Question: "Are you satisfied or dissatisfied with the government's job up to now?"

<u>Answer</u>	<u>April</u>	<u>June</u>	<u>August</u> <u>1983</u>	<u>October</u>
Satisfied	49 %	52 %	46 %	36 %
Dissatisfied	43	37	45	56
Do not know	9	11	8	8
Total:	101	100	99	100
Number asked:	1004	1003	1005	1004

There is a drastic decline in the government's popularity in the October poll as compared with earlier polls. However, the Christian People's Party's and Center Party's voters are at least as satisfied as before, whereas all other groups express declining confidence.

8985

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## PALME, FALLDIN ANIMOSITY WIDENING CENTER, SDP SPLIT

Stockholm 7 DAGAR in Swedish 7 Oct 83 pp 6-8

[Article by Eva Hamilton]

[Excerpts] The opening of parliament ushered in an autumn of difficulties for the Palme government. The battle in parliament will involve not only the wage-earner funds, but also various controversial austerity measures. Bitterness between the Social Democrats and the Center Party will further inflame the situation in parliament. The gap between these two parties has never been wider.

They are like an old couple that went through a painful divorce 25 years ago, but still cannot quite let go of each other.

The bitterness between the Social Democrats and the Center Party is mutual and widespread.

"We have deep scars as a result of the Social Democrats actions. And I am thinking of Olof Palme in particular," an old Center Party member said.

"Bitter? They are bitter! If you only knew about the thorns that have been in the sides of our members of parliament since the time the Center Party was in power," a Social Democrat said.

Since the opening of parliament on 4 October, these old scars and thorns have poisoned the atmosphere in the various committees and commissions of parliament.

This ingrained bitterness also is one of the primary reasons the government must give up all hope of support from the Center Party and, instead, turn to VPK (Left Party Communists).

This fall parliament will decide the fate of the wage-earner funds. One controversial austerity measure after the other will be discussed. This is enough to keep the parliamentary groups busy, but the Center Party has another vital issue on this fall's agenda: the reorganization of our agricultural policy. A report on agricultural production soon will be complete, after which the government will make a proposal.

Some Center Party members have already begun to speculate that the Social Democrats will eliminate large numbers of small farmers.

Thus, the government cannot count on support from the Center Party. Both the Conservative and the Liberal Parties are more willing to support at least some of the Social Democratic budget cuts.

Why is the Center Party leadership so distrustful of Olof Palme and his government? Why does the Center Party feel it has been betrayed?

#### Old Injustices

The answer is to be found in a series of old injustices--or at least events that the Center Party leadership viewed as injustices:

The day before the Social Democrats took office, Kjell-Olof Feldt called together the heads of the central banks and the finance ministers of the other Nordic countries and informed them of the upcoming devaluation--but forgot to inform the Swedish prime minister of that time, Thorbjorn Falldin.

Olof Palme accused Thorbjorn Falldin of deliberately increasing unemployment.

After great sacrifice, the middle parties and the Social Democrats reached an historic tax compromise--and Kjell-Olof Feldt triumphantly told the world that the Social Democrats had "walked all over" the Center Party and the Liberal Party.

But there are also other stories in which the Social Democrats report that the Center Party was suddenly overtaken by delusions of grandeur when in 1976 Falldin was transformed overnight from a member of parliament to a prime minister.

One such story comes from the finance committee. The heavy-set farmer-turned-politician Axel Kristiansson snubbed a Social Democratic fellow committee member, a man of convictions, with the now classic reply: "We do not discuss matters here--we vote on them."

The gap and the ill will between the two parties has never been greater than it is now. This is not so obvious on the local level. Locally, the common characteristics of the two parties are more important: both are special-interest parties. But it is obvious in parliament.

Underneath the bickering, posturing, and bitterness, however, there is a feeling even among members of parliament that the old marriage is not over. At one time, Gunnar Hedlund and Tage Erlander joined together in a red-green coalition and peacefully led Sweden toward constantly increasing prosperity.

The divorce took place in 1957 during the ATP (General Supplementary Pension System) battle. Since then, nothing has been the same. In 1973 there was the question of nuclear power. Now we have the wage-earner funds.

There are two additional important explanations to the animosity: Olof Palme and Thorbjorn Falldin.

They do not like each other. They cannot work together. Worst of all, they distrust each other fundamentally.

Conversations with members of both parties reveal another, almost comical, aspect of the picture: both parties are engaging in wild speculation about inner tension in the other party and about how a sudden setback in the opinion polls is unavoidable.

Both parties are pointing out "soft spots" in the other camp.

Social Democratic sources have indicated that Nils Asling, Anders Dahlgren, and Rolf Ramgard are deeply concerned over Falldin's tough posture. Similarly, Agriculture Minister Svante Lundkvist and Housing Minister Hans Gustavsson, according to Center Party sources, are critical of their own prime minister and his policy of confrontation.

A closer examination seems to indicate that this speculation is unfounded. Both sides lack the old spirit of cooperation, the feeling that "we are moving together, despite our differences."

But seldom has internal support for the leaders and policies of these parties been so strong. This is particularly clear in the Center Party. Thorbjorn Falldin's position is solid. It remains to be seen whether or not Olof Palme's position will be equally secure after this week's debate.

Thorbjorn Falldin is not a party leader who delegates authority and whose primary task is to hold the party together and act as a figurehead. On the contrary, Thorbjorn Falldin personally leads his party's work on all fronts.

Those who are close to Prime Minister Olof Palme are well aware of this phenomenon.

Thorbjorn Falldin also is personally responsible for an antifund position that is almost stronger than that of the Conservatives. Again and again he has stated that as long as the government sticks to its wage-earner funds, he will refuse all overtures from Olof Palme.

Center Party secretary Allan Pettersson said:

"I cannot understand what Palme is thinking about. He would appear as a great statesman if he would say, 'Of course, we in the labor movement agree that wage-earner funds are necessary, but the good of the entire country demands that we have broad parliamentary support. For this reason, we are postponing a decision on the funds.'"



## PAPER COMMENTS ON PALME ATTACK ON U.S. FOREIGN POLICY

Stockholm SVENSKA DAGBLADET in Swedish 18 Oct 83 p 2

[Editorial: "Palme About Reagan"]

[Text] In an interview in the last issue of NEWSWEEK, Prime Minister Olof Palme lets it be understood that he is concerned about the anti-Soviet rhetoric of President Reagan.

In contrast to the President's rhetoric, the action of the Reagan administration has been prudent, says Palme, "but this is exactly what puts us in Western Europe in a state of uncertainty. We don't know whether we should take notice of the words or the actions."

Since Palme himself has notorious difficulties in living up to his maxim of prudence with words, he probably should refrain from criticizing others, but in this special case he certainly touches on an interesting problem. The lack of agreement between Reagan's rhetoric and his real actions, as concerns the relationship with the Soviet Union, has also been frequently debated in the U.S.A. lately.

William Safire, a very conservative columnist, wrote the other day in the NEW YORK TIMES, that Reagan's policy is indefinable. His orations against the Kremlin are upright but in reality he falls flat on his face. Even if Palme and Safire have entirely different points of departure, they both ask themselves where the American President actually stands.

In all likelihood, greater notice ought to be taken of Reagan's actions than of his words. The progress is perhaps not completely unambiguous, but on the whole it can be asserted that the American policy versus the Soviet Union has gradually become more balanced and pragmatic.

This concerns not only the disarmament talks, which nowadays are prioritized in a completely different manner. Here, of course, pressure not only from the European allies but from opinions at home, have played an important role. In the nuclear arms negotiations in Geneva the U.S.A. is showing greater flexibility than previously.

This change in attitude, however, has caused disappointment among the ultra-conservative elements in the U.S.A., who wanted to see Reagan as an anti-communist crusader with a naked sword. The President is obviously anxious to keep this old core of his supporters happy, if possible, and that is probably why he now and then resorts to strong rhetoric measures against the Soviet Union.

But the militant wing in the U.S.A. is not content with words and now it is indignant over Reagan's nomination of the Mid-East arbitrator Robert McFarlane to be the new security adviser.

He succeeds William Clark, a reliable hawk, who, without much ado, has been made Secretary of the Interior. Indeed, McFarlane is also conservative, but he is considered to lack authority and the result of the nomination should be that the influence of the Secretary of State, George Schultz, on the American security policy is increased.

Schultz is considered to be a very level-headed man, and there is reason to believe that the American foreign policy will continue to develop in a balanced manner. The fact that Ronald Reagan peppers his statements about the Soviet Union every now and then, should not cause hiccups of alarm in Western Europe.

12339

CSO: 3650/32

## COUNTRY TO CUT FUNDS FOR FOOD AID TO UNITED NATIONS FAO

Stockholm DAGENS NYHETER in Swedish 28 Oct 83 p 6

[Article by Magdalena Ribbing: "Withheld Monies to Ultuna: Sweden Drastically Reduces the Food Aid to UN"]

[Text] The Swedish cooperation with UN's food aid agency FAO [Food and Agriculture Organization] in Rome is drastically reduced. The reductions are especially felt by the support organization SIDA, which is a part of the FAO. Part of the monies withheld from FAO will instead benefit Ultuna Agricultural University.

On Thursday the Swedish FAO committee and the man responsible for the agricultural part of SIDA, John Holmgren, met at the Department of Agriculture. Johan Holmgren gave several reasons for the drastically reduced appropriations to FAO--among them are the government's instructions to SIDA to concentrate on the recipient countries, that the knowledge about questions of assistance has increased among Swedish experts, that some countries like Sweden have had assistance cooperation with some projects now terminated--for instance Cuba and Tanzania.

The fact that FAO deals in dollars and pays its officials in dollars, while Sweden arrives at decisions in Swedish kronor is also a weighty argument for the reduced appropriations. FAO is also considered to have a rigid opinion of how the contributions function--and prefers to remote-control all activity from Rome.

"We contend that there has been an increase in knowledge among third-world countries", says Johan Holmberg.

He is also partially of the opinion, which is widespread within SIDA, that the UN agencies work in a formal and bureaucratic manner.

SIDA has just received authorization from the government to come to an agreement with Ultuna Agricultural University for 7 million kronor for 2 years. SIDA and Ultuna are currently cooperating in the livestock field. The 7 million kronor have been released from the monies that should have gone to FAO.

## Irritation

The Swedish contribution to FAO, which is a large UN agency with about 5,000 employees, 2,000 of which work in the FAO palace in Rome, is partly membership dues of almost 3 million dollars, partly a budget support. This is divided in two parts, one of which is handled by the Foreign Office and is decided by the size of the foreign aid budget, the other is handled by SIDA.

There are 18 million kronor available for the subject specific activity run by SIDA with FAO. The reduction from the fiscal year 1980/81 is conspicuously large--at that time 35 million kronor were available for the same item. Next year the allowance will be further reduced.

The subject specific activity will enrich SIDA's fund of knowledge, for instance by developing methods.

Every year Johan Holmberg travels to FAO and explains how much Sweden will contribute. The last 2 years he has had to explain that the contribution is shrinking.

"The government's reduction of the appropriations for special programs is nearing an embarrassingly low level," says Johan Holmberg. "Our horizons become limited and even if SIDA has a limited capacity which now is very much strained, it is a pity that we are forced into a corner where we cannot see the forest for the trees."

FAO is noticeably irritated over the fact that the Swedish contributions have decreased. The appropriations have given FAO a fund that could be used flexibly. But that fund is almost exhausted now. FAO is trying to fight the Swedish reduction but without success.

Prime Minister Olof Palme, who addressed the FAO last week as guest of honor, only criticized the inefficiency of FAO between the lines. FAO performs a good and important job, said Olof Palme in Rome, but the poor countries must also help, they must participate in the design of the assistance projects. Sometimes it is better to help a country to its own technical development, than it is just to send food.

12339

CSO: 3650/32

## DENMARK LINKED TO NATO WARNING NET WITH NAEGIS STATION

Copenhagen BERLINGSKE TIDENDE in Danish 9 Nov 83 p 8

[Text] As a step in improving NATO's warning system, Denmark received formal status yesterday as possessor of the world's first NAEGIS station.

The long NATO abbreviation stands for a special radar station in Baek Forest a few kilometers from the air base at Skrydstrup. The AWACS surveillance planes will be guided from there and other NATO lands will follow Denmark quickly with similar stations.

"In the last 2 years we have conducted test programs and what happened yesterday was that we became operative," said Major Heltenov, head of Baek Forest radar station, who was visited by four generals and many other distinguished guests. "The idea behind the system is to give NATO a broad overview from the North Cape in the North to Turkey in the South via co-operation between land stations and airplanes equipped with radar which can observe any activity at sea and anything down to the treetops on land."

The system has more than military importance. Three times this year it has also proved to be a good backup for rescue helicopters, because there are so many electronic elements in the warning system that it picks up everything.

"It was the surveillance planes that reported emergency signals from a ship in distress off of Esbjerg and a Swedish private plane that made an emergency landing in Vejle Fjord," said the duty officer at Karup air base, Major L. Hansen. "It also came to our assistance when the ship 'Wind-raider' was about to capsize in January 45 nautical miles off of White Sands. Our helicopters were directed by the surveillance planes to the exact position of the ship."

6578

CSO: 3613/37



## MAUROY OUTLINES FRENCH STRATEGIC DEFENSE DOCTRINE

Paris DEFENSE NATIONALE in French Nov 83 pp 5-22

[Speech delivered by French Premier Pierre Mauroy to 36th Session of the Institute for Higher National Defense Studies (IHEDN) on 20 September 1983]

[Text] It gives me pleasure to return to the Higher National Defense Studies Institute and to greet the men and women who again this year are devoting part of their time and energy to considering our defense.

I appreciate the fact that I can count on the defense spirit of the officials from all quarters and all professions gathered in your institute. The network of national and regional associations to which you have given birth can serve as an example to the whole nation. It bears witness to the responsibilities which rest with each of our fellow citizens in defending our country.

The spirit of defense is not the prerogative of people in uniform. It is not acquired from the day when you are obliged to take up arms. It is not separable from the citizen's overall education, in his family, in school, at the university. Moreover that was the subject of my first speech to you 2 years ago.

In times of national emergency we call the spirit of defense patriotism. It is based on a sense of civic duty and reflects our awareness of a common identity, our membership of a community which transcends individual interests.

Jean Jaures said this in his way when he pointed out: "National defense is only possible if the nation participates in it with its spirit and its heart."

The symbol of this defense will remain conscription, which, rest assured, valued outside our borders as the young generations' adherence to the ideal of independence and freedom which fills their elders.

This institution, which is both strong and fragile, demonstrates, as much as it presupposes, social acceptance. It is up to the government to maintain this social acceptance by a sustained effort of imagination and adaption. Indeed it is necessary to meet national defense needs as defined by the military programming law, without failing to take account of the aspirations of young people today. The law reforming the national service code, which parliament passed last July, corresponds to this twofold objective.

I discussed this necessary change in national service last year, and on that occasion I also mentioned the problems raised by disarmament and the pacifist campaigns.

Although the permanent principles of French defense policy, and the international context in which they are placed, have been defined several times through various political, fiscal, or technical factors are likely to alter some aspects of the organization and use of our forces. So, today, after reaffirming our choice of a national independence policy respecting our alliances and our commitments, I will discuss the main aspects of our effort to contribute to settling tensions and crises in the world.

And I will then propose that you consider the facts of security in Europe.

Finally, I will examine the technological developments which directly concern the French nuclear deterrent capability.

I--Being Faithful to Our Alliances and Helping Ease Tensions and Crises in the World

When it left the Atlantic Alliance's integrated military organization in 1966, France rejected--and it still rejects today--the automatic response implied by integration of forces. There was no question then, any more than there is now, of transforming the rejection of automatic response into a rejection of our duties. France has always asserted its fidelity to the objectives of the Atlantic Alliance and has succeeded in demonstrating that.

France, a faithful alliance partner and a European power with a doctrine and the means of implementing an autonomous nuclear deterrent strategy, plays a specific role in the defense of the West European states. It is unshakable with regard to its decision-making autonomy but has always honored its commitments. Since 1966 it has maintained permanent liaison missions to the major NATO commands and has concluded the necessary general staff agreements for possible effective use of its forces. It takes part in work relating to civilian measures supporting defense.

To enrich the range of our potential for action in crises, the government has just decided to set up a Rapid Action Force which will be added to our total existing strategic capabilities.

In the framework of the military programming law, the army will thus be equipped with a large, powerful, multipurpose, mobile unit. This force will comprise around 47,000 men, in other words the present equivalent of an army corps. It will be built around an air-mobile division with around 250 combat helicopters.

The army will therefore have two main systems of forces with possibly complementary objectives: on the one hand an armored and mechanized battle corps; and on the other hand a rapid action force. Of course the use of each of these systems of forces is not fixed once and for all.

The Armed Forces Chief of Staff rightly explained last May: "Military strategy must not lock political authority into too rapid and restricted choices. On the contrary, it must provide it with the means of increasing its freedom of action."

Although we feel at ease in the Atlantic Alliance, we do not want an alliance with various levels to be accentuated over the years. However, that is what would happen if our integrated partners were to accept additional obligations which we would reject which do not feature in the treaties signed.

When you consider the Atlantic Alliance you are thinking of a defensive military alliance intended to guarantee the security of each of its members. However, it is necessary to know how that security concept is understood.

The tendency on the American side for around 10 years has been to "globalize" all aspects of the threat. Consequently, in their view, the response too ought to be "globalized." This is particularly true in the economic sphere. Some people would like to integrate the economic relationship between East and West into the Alliance's security strategy. They would like to mobilize the action of all friendly countries, whether NATO members or not. The desire, demonstrated several times over the past 2 years, to resort to boycott measures illustrates this.

France, for its part, does not share this analysis. Embarking on an inevitable process of economic blockade means embarking on an inevitable process of war. You are well aware that these two notions have always been historically linked.

The alliance ought not to embark on that course. It ought not to deviate from its purpose.

Similarly the Atlantic Alliance has a tendency to go beyond its geographical zone. And yet the latter is defined in the treaty's very title. That zone covers the whole Atlantic area "north of the Tropic of Cancer."

Although the alliance strove to fully preserve that character during NATO's first 20 years, the attitude now seems different. Because the Soviet threat is thought to have become planetary, the temptation of an equally planetary response is emerging.

This is not France's viewpoint. The extension of an area of East-West confrontation beyond the Atlantic region in fact imposes Manichaean choices on third countries. In addition a strictly East-West interpretation of all conflicts does not strike us as realistic. Moreover we have rejected that in practical terms, as regards Central America, Chad, and the Middle East.

Problems outside the North Atlantic zone can be the subject of exchanges of views among allies but they are determined by purely national decisions.

France's unique position within the Atlantic Alliance is also reflected in the disarmament sphere.

The government considers that there is a close relationship between security and disarmament. Our actions to promote disarmament over the past 2 years have been aimed at reducing the causes of tension, namely the superpowers' excessive levels of armaments, the imbalance of forces, and the military use of new technologies.

In a few days' time the president of the republic will address the United Nations on this question, and you will understand, therefore, if I do not discuss this essential subject today.

I will simply stress that, in the face of the tensions which are troubling relations between East and West, France's attitude can be characterized by two words: firmness and dialogue.

France's firm policy toward violations of international law and the sustained effort it is devoting to its security are not inconsistent with a policy of dialogue. We do not accept bloc politics. That is why France will always encourage peaceful consultation. That is why we intend to ensure that law triumphs over force. France will not cease to play an active part in easing tensions and settling crises in the world.

In the same spirit, we attach the greatest importance to the two superpowers seeking, through negotiations, substantial and verifiable reductions in their respective nuclear arsenals. I repeat that our objective is to achieve a global balance of forces at the lowest possible level.

France is therefore fully in favor of the Soviet-American discussions started in Geneva within the START framework. It wants the negotiations to succeed.

The same is true of the negotiations on the U.S. and Soviet intermediate-range forces.

In view of our status within the alliance we did not have to subscribe to the NATO decision of 12 December 1979, which, as is all too often forgotten, stipulates that, should the Geneva negotiations fail, the allies will deploy 108 Pershing II launchers and 464 ground-launched cruise missiles, all with single warheads, in Europe from the end of this year, 1983. We nonetheless think it is essential for a balance in Europe, which is an integral part of the zone covered by the alliance, to be guaranteed. However that balance has been affected by the deployment of new Soviet nuclear weapons, the SS-20 missiles, since 1977.

We do not intend to be involved, directly or indirectly, in the two Soviet-American negotiations in Geneva. Indeed the French nuclear deterrent means have been limited to the minimum strictly necessary to ensure our deterrent's credibility. Our arsenal is therefore in no way comparable with those of the United States and the Soviet Union, which, for their part, have a nuclear overkill capacity. Moreover, the result of this is that there are many real possibilities for reducing the Soviet and American arsenals whereas France cannot drop below the threshold of credibility without casting doubt on its independence and security.



The refusal to be involved in the current Geneva negotiations, be it the START negotiations or the talks on intermediate-range missiles, does not mean that France would under no circumstances be prepared to take part in an effort to limit nuclear arms. When a balance of forces has been established between the two superpowers at the lowest possible level, when they no longer have the means to destroy each other several times over, the time will have come to discuss all the nuclear forces in the world. Until then France will remain outside the negotiations.

Our possible participation depends on precise conditions:

--a major and verifiable reduction in the two superpowers' excessive levels of nuclear arms;

--significant progress in conventional and chemical disarmament in Europe;

--the absence of new capabilities in the sphere of ABM missile systems.

I would like to explain the reasons why the Soviet demand to include the French forces in discussions with the United States is unacceptable in our view.

First, France cannot accept constraints on the modernization of its nuclear forces. It adheres strictly to the definition of a threshold of nuclear adequacy. The modernization effect which we have started is based on the urgent need, in the face of the development of the threat, to maintain our deterrent's credibility.

In addition, the very nature of our armaments, which are, let us recall, strategic, cannot be negotiated in discussions relating to intermediate-range weapons. Those discussions do not concern our country. They are aimed primarily at restoring the deterrent balance following the deployment of the SS-20 missiles. That is a problem directly linked with the overall balance of forces between the United States and the Soviet Union.

Our nuclear systems are a totally independent strategic system, serving our own doctrine. They are last-resort weapons to ensure our country's survival.

Our solidarity with our allies cannot undermine that decision-making autonomy under any circumstances.

Our forces are an indissoluble whole. They cannot be compared with any particular category of forces in another country, they certainly cannot replace the U.S. nuclear systems intended to guarantee the security of European states which do not have such weapons.

The French forces are not capable of ensuring the link between the U.S. central systems and Europe's defense. Since they are not intended for a flexible response strategy they are not suited to that purpose.

Wishing, as the Soviet Union does, to take account of our forces by classing them with the U.S. forces is contrary to the strategic and political situation.



In addition, this inclusion, which would amount to placing the French and British nuclear forces on the same footing as the Soviet intermediate forces alone, is ridiculous since the aim of our forces is to deter all means likely to threaten us.

At present France has 132 strategic devices: 80 missiles (M20) launched from our submarines; 18 surface-to-surface missiles (S3) buried on the Albion plateau; and 34 Mirage IV aircraft. This firepower cannot be compared with the 351 SS-20 missiles (of which 243 are targeted on Europe), each having 3 warheads, in other words 1,053 warheads, but must be compared with all the Soviet means capable of reaching France. A quick calculation shows that 98 missiles and 34 aircraft, in other words 132 nuclear warheads at present, have to be compared with more than 10,000 nuclear warheads which could strike France!

France is certainly no threat to such a superpower!

In the face of the modern world's threats we intend to maintain an independent approach in liaison with the allies we have chosen.

France has a diplomatic tradition and international responsibilities at a global level. It must take its place in the world today as in the past.

The presence of many of its nationals outside national borders, its current interests, its heritage, and its orientation all require it to make its voice heard. This is true in the Near and Middle East and in Africa. France's traditional presence in those regions of the world is part of a desire for peace and respect for men and their communities.

The agreements which link us to some African countries and the part we play in settling international disputes confirm both the independence of our choices and our awareness of our duty to show solidarity.

You will understand that current events lead me to place particular emphasis on our links with the African countries. Defense agreements have been concluded with eight of them. They give those states the opportunity to call on our armed forces in certain circumstances. Our intervention is never automatic but is left to the assessment of the president of the republic and the French Government.

France has concluded military cooperation agreements with a larger number of African states. They lead us to facilitate the organization, training, and equipment of national armed forces. Such a technical military cooperation agreement has bound us to the Chadian state since 1976. Circumstances prompted the Ndjamena government, recognized by the international community, and especially by the OAU, to request our aid. Our obligation to train the Chadian forces is accompanied by a desire to ensure the security of our aid workers. In addition, the threats which hang over Chad and the region led us to equip our contingent with the means necessary to deter aggressors from continuing their military enterprise.

The seeds of the Chadian dispute date back more than 40 years. France, for its part, is honoring the pledges it made to that country 7 years ago. We have no other designs. Libya, for example, is not France's enemy, it is Chad's aggressor. France is not trying to wage a battle in Chad; it wants to keep the confidence of all its allies by responding to an appeal from one of them.

The overseas missions which we agree to carry out are in keeping with our country's ideal of peace and justice. In Chad as, moreover, in Lebanon, in the framework of the multinational security force in Beirut, we are trying to preserve the unity, integrity, and sovereignty of friendly countries which have appealed for our aid. On the other hand it is obvious that France, and more especially its armed forces, must not interfere in those states' political balances and in confrontations related to internal conflicts.

The use of our forces expresses a desire for peace. In Lebanon, once the crossroads of two civilizations and now a prey to blind confrontations, we intend to work for the restoration of a pluralist state and the stability of a torn region.

The government is aware of the risks involved in such involvement. It appreciates the sacrifices already made by our armed forces to accomplish their mission with efficiency and dignity. I would like to take this opportunity to pay tribute, in the prestigious halls of the military school, to the French soldiers killed in Lebanon while carrying out their mission.

France, a power which no one suspects of hegemonist or expansionist designs, must continue to be the refuge of the weak and the respected interlocutor of the powerful. That is the sole purpose of our presence and action in Lebanon.

Our forces' missions are part of the general framework of our strategy. It is up to the government to keep them within limits so that their execution and consequences do not jeopardize the political aim and goals pursued by France.

## II--The Facts of Security in Europe

By these few examples I think I have drawn the outlines of our foreign policy, whose main objective is the defense of France and the security of the French people. The strength and flexibility of the ties woven with our partners, the convergence of efforts, and our ability to develop without sacrificing our national identity guarantee our defense, our security, and the desire for peace and justice which inspires us.

The president of the republic, the members of the government, and I have several times had occasion to express the hope that Europe will assert itself more and to stress the importance of an autonomous Europe in the face of the dangers posed by an exclusively bipolar world.

We have also confirmed France's position, which is independent but also one of solidarity with the Atlantic community.

At the beginning of this speech I gave a detailed analysis of our links with our Atlantic Alliance partners because everybody can see that they are decisive. But France is trying to maintain other links. I will mention the example of the Western European Union (WEU). This European body is the only one to which questions relating to defense and security can be referred.

This union is a unique structure for consultation. Moreover, it is a structure which is consistent with our more general commitments since all the WEU members are also members of the Atlantic Alliance and the EC and since only European states are members.

France thinks that European solidarity enriches Atlantic solidarity without merging with it. The similarity of the geostrategic problems facing the European countries should lead them to specific joint decisions. In this connection the WEU can provide an effective forum for reflection.

In addition, I would like to recall that this organization is the only European body which is competent in the defense sphere and in which elected representatives can discuss problems relating to Europe's security. Now, we want to involve deputies, and hence public opinion in deliberation and decisions concerning every aspect of the security of each man and woman in our country and on our continent.

In the coming years we must strive to develop the means of achieving European autonomy without sacrificing what has constituted the autonomous guarantee of our security for the past 30 years.

France's geostrategic dimension, the size of its forces, and the uniqueness of its position give it special responsibility in Europe.

The awareness of that responsibility is reflected first by the care and means it devotes to its own defense effort. It is also reflected in its commitment to its partners. Franco-German relations must be an example. They show that joint consideration of strategic concepts and respective cooperation efforts encourage a better awareness of our common destiny.

The signs of change which we are seeing in the sphere of armaments and their use herald changes whose influence on world confrontation we cannot yet imagine. We already know that, in the future, only an economic entity of Europe's size will be able to provide itself with autonomous means of ensuring its security and defense.

Let us beware of trying to defend Europe in the future with the means and organization of the past!

The production of arms and equipment and the investment in research and economic infrastructure which it requires strike me as the first sphere in which Europe could promote its cohesion.

Such a process seems likely not to jeopardize the future by delays which we would regret. It does not hinder our existing capabilities or threaten the independence of each of our states now or in the long run.

It is necessary to draw a clear distinction between the notions of Europe's defense and European defense. The idea of a European defense implies an integrated collective organization which could only be established if a single political authority existed.

On the other hand the awakening of European public opinions to the imbalances which have appeared in the balance of forces between East and West give new relevance to the idea of "Europe's defense."

It is true that this question has virtually never ceased to be discussed since the end of World War II. Hitherto, and contrary to what has happened in the economic sphere, the aspirations and initiatives have failed to produce practical results. This year, after 20 years of disregarding them in practice, the president of the republic and the FRG chancellor gave new impetus to the military provisions of the 1963 Elysee treaty.

In the same spirit cooperation among European countries could be developed, especially in the arms sphere. Some bilateral or trilateral projects have already succeeded: the Transall, Jaguar, and Alpha-Jet aircraft; the Puma and Gazelle helicopters; the Milan, Hot, and Roland missiles; and the tripartite mine hunter, for instance. However, cooperation structures, be it the Standing Committee on Arms or the Independent European Programs Group, have achieved only limited results.

This cooperation has also been envisaged at alliance level. However, the results are modest aside from some bilateral and trilateral achievements. In 1977 the "weapon families" project was launched to make it possible to share research and development among Europeans and Americans according to competence. That project had to be abandoned under pressure from American industrialists.

In this sphere the will of governments is not always enough. Considerable economic, financial, and industrial interests are in fact involved. And I would like to point out that the European countries' defense industries have never been able to present a united front to their American partner. What is perhaps more serious is the fact that the European governments have not tried with sufficient conviction to safeguard and develop a European arms industry.

A combined arms manufacturing policy ought to be regarded as a priority objective among the many actions to be taken with a view to extending the defense system in Western Europe.

In a period in which pacifist, neutralist, and antinuclear movements are campaigning, it is particularly important to preserve and strengthen the West European countries' defense will. Moreover that was the meaning of the speech delivered by the president of the republic during his recent visit to Bonn.

What is at stake is serious. It concerns the security of our continent. Our collective defense will must not be weakened.

Only vigilance, the constant search for a balance of forces at the lowest possible level, and the determination to give deterrence its full role can form an effective barrier to war and adventure.



France rests on a determination and means equal to those of the possible enemy.

At a time when the perception of the imbalance of forces in the European theater has become clearer, at a time when the indirect aggressions which threaten us are becoming more subtle and more insidious, it strikes me as essential to inform the Europeans of the reality of the threats and to develop in them a real defense spirit.

### III--Our Defense in the Face of Technological Developments

France's desire to equip itself with the necessary tools for its defense was again confirmed by the adoption of the 1984-1988 military programming law. A financial package of Fr830 billion, with the franc at its current value, will be available during that period.

This major financial effort also reflects the government's concern to support our country's research effort and economic activity.

Indeed the programming law allocates to research, studies, and development around one-fourth of the armed forces' equipment funds. That is a much bigger proportion than is usually found in the other branches of industry.

The defense budget alone contributes more than 30 per cent of the research effort financed by public spending.

The development of the threat and rapid technological progress lead to providing our military systems with increasingly automated means, highly sophisticated detection and electronic warfare devices, and powers of calculation increasing exponentially. Thus the defense effort in the research sphere will relate to the sectors and branches of the future:

- applied electronics [l'electronique professionnelle] especially computers;
- automation;
- detection;
- telecommunications;
- optoelectronics.

However energetics, fluid mechanics, materials technology, and, of course, nuclear technology will also be the subject of important work.

The essential nature of these research problems relating to national defense prompts me to propose that you consider the pursuit of our nuclear effort in two essential spheres.

The first consists in examining whether France's defense policy could be changed by the possible launching of the long-term American research program. That problem, I remind you, would be aimed at developing defense means intended to oppose strategic nuclear missiles.



significant progress has been made in recent years in the sphere of laser weapons and the use of space in particular. The Soviets and Americans are actively pursuing their research.

Even if the implementation of the project envisaged by the United States is a long-term prospect, it nonetheless poses strategic problems. Indeed we are likely to witness an extension of the arms race to new spheres.

Thus we must ask ourselves:

- will the East-West balance of forces be changed?
- will Europe's defense be changed as a result?
- is France's defense policy likely to be called into question?

For France, whose defense is based on the deterrence of the strong by the weak, the prospect of the development of defensive strategic systems poses a new challenge.

In response it is true that there are prospects of a development in our weapon systems. In addition, the cost of our offensive capability, necessary to penetrate a given defense, ought to remain many times lower than the financial cost of the enemy's defense. We ought thus to enable our country to maintain its strategic position.

The second research subject which could engage us relates to protection against the electromagnetic pulse.

You know that a nuclear explosion at altitude gives rise to an intense electromagnetic wave which spreads out to reach the ground. There it produces a stray current likely to upset the functioning of most unprotected electrical and electronic equipment over a huge area.

Measures have been taken to protect the various components of our nuclear force. Thus, for example, the silos of the Albion plateau's two launching units and its associated communications systems have been "strengthened."

Protection techniques exist in the civilian sphere as in the military sphere, and a development program is under way.

Ladies and Gentlemen, before ending this speech, allow me to quickly mention the protection of populations. This is an important element in the necessary development of the defense spirit and I have already had the opportunity to discuss it here and elsewhere.

At this very moment a systematic operation to record all the facilities, totally or partially underground, which can serve as shelters for the population in case of war is being carried out on an experimental basis in two departments: Ille-et-Vilaine and Haute-Loire. This investigation, conducted

on the initiative of the Ministry of the Interior and Decentralization in collaboration with the Ministry of Urban Affairs and Housing and the National Institute of Statistics and Economic Studies, will be completed by 31 October. It provides a general survey which will gradually be conducted throughout the country.

All French people must be informed on all these questions. They must be able to gain an idea of the scale of the threat and the effects of possible aggressions in order to be able to arm or protect themselves against them while it is still possible. They must be able to receive, understand, and carry out emergency instructions in all circumstances. Programs are being drawn up to that end.

In addition our population protection policy aims to be able, in case of conflict but also in case of natural or technological disasters, to provide the same help, care, and shelter in the most suitable conditions. The planning of aid, the equipment of health and social infrastructures, the necessary personnel, and civilian security equipment will be improved and brought to the level required to face possible cataclysms or major disasters.

As regards shelters, a research, information, and incentive effort has been launched. Technical advice for the construction or equipment of shelters will very soon be available to all interested persons in all prefectures. At present they are not standards which would be compulsory but technical specifications which can be used by all builders and contractors.

Nevertheless the government does not rule out the possibility of making it compulsory in the future to build shelters when new collective constructions are carried out. The generalization of "safety standards" ought thus to be obtained in conditions comparable to those used to spread the rules relating to fire hazards, for instance. Of course the government will ensure that public construction provides a model for desirable and feasible achievements in this domain.

Ladies and Gentlemen, these are the few ideas which I wanted to put to you at the start of this session. I hope that, in your meetings and especially in your subsequent action, you will show that defense spirit which has guaranteed our country's existence throughout our history.

I am sure that our fellow citizens do not lack imagination or courage. That is proved by the self-denial and sense of duty shown by the French contingent in our multinational security force stationed in Beirut. The government pays tribute to all those in Lebanon and in Chad who are capable of being true soldiers of peace in conditions which are sometimes difficult.

Thank you, ladies and gentlemen.

Date 3519/196

## BRIEFS

INCREASED SUPPORT FOR IMF—On Friday the government submitted to Parliament this year's second supplementary budget, in which they propose that Finland's share as a member of the International Monetary Fund be increased by 46.3 percent. The purpose of this is to in this way endorse the IMF administrative council's proposal in the full amount as far as Finland is concerned. It is felt that this is important in justifying the government proposal because of the foreign currency support to be obtained from the IMF and the demands to be imposed on our foreign currency policy. According to the proposal, Finland's share as a member would rise from 393 million special drawing rights to 574.9 million, or from about 2.35 to about 3.438 billion markkas. It is also advised that the World Bank's capital be increased and a proposal to that effect as regards Finland will in due time also be submitted to Parliament. [Text]  
[Helsinki HELSINGIN SANOMAT in Finnish 29 Oct 83 p 36] 11466

CSO: 3617/34

## GONZALEZ ON EEC DIFFICULTIES, VIEWS OF KIRKPATRICK, FRAGA

Madrid EL PAIS in Spanish 25 Oct 83 p 17

[Article by Juan Roldan]

[Text] Head of the government Felipe Gonzalez will today inform the House of the difficulties which have arisen, in the negotiating process for Spain's entry into the EEC, over the recent approval of agricultural regulations on fruits and vegetables, which damage considerably Spanish commercial interests. One leader of the largest opposition group, Manuel Fraga, will blame the slow progress in resolving bilateral problems on the lack of clarity and focus of the government's foreign policy.

Sources close to the prime minister and the Popular Alliance denied that Felipe Gonzalez and Fraga discussed foreign policy or the parliamentary debate which begins today, during the meeting which they had yesterday. In Alliance circles they were unaware last night whether Fraga, who will be the only one speaking for his party in today's debate, will ask for the resignation of the foreign affairs minister, Fernando Moran, although they certainly expect harsh criticism of his tenure of the last 10 months.

From what EL PAIS has been able to learn, the prime minister, Felipe Gonzalez, will still delay for a few more weeks the sending of a personal letter to the heads of state of 10 member countries of the EEC, to find out if the political will exists or does not exist to open up the Common Market to Spain and Portugal and precisely when. The letter, announced by Felipe Gonzalez during his recent trip to Italy and Greece, has as its final destination, the semi-annual summit meeting of the EEC which will take place in Athens starting 6 November.

There is no Draft

Official sources in the prime minister's office and in the secretariat of state for relations with the European communities stated yesterday that there still does not exist a draft of the letter. For one thing, there are still various ministerial meetings of the Ten before Athens. Also the government wishes to

Some the degree of acceptance which the recent approval of the agricultural negotiations, which impose very oppressive conditions on the negotiations of cereals, fruit and vegetable products, has had in the capitals of the Common Market. Secondly, the Portuguese government having requested a joint approach with Spain on this type of information requirement, it is hoped that Felipe Gonzalez and Mario Soares will discuss the text of the letter at the high level meeting to be held in Lisbon 11 and 12 November.

The Spanish prime minister sent a letter to his colleagues of the Ten in June, before the Stuttgart summit, but on that occasion the community reply, after which most of them threw their support behind France, contributed to false expectations on the part of Spain, who believed that any EEC agricultural and financial reforms could be simultaneous with the approval for its enlargement.

Nevertheless, Spaniards were convinced that, now more than ever in the long Spanish negotiating process, Paris holds the key to our entry into the EEC, and particularly, the socialist government of Francois Mitterand, who will be president of the Community Council of Ministers from January to June next year. For this reason, in the Trinidad Palace, public criticism of France has been reduced after the agricultural decision of the 18th and in private they are already beginning to think in terms of a commercial approach to the northern package with an overall package of contracts to get the French to withdraw their demand to joining.

On the subject of the Common Market, the Popular Group appears skeptical. Josep Maria Ybarra stated yesterday that "we believe that the basic issue is to promote the Spanish economy so that we can enter the EEC, which we are confident we will enter, but which is going to be, within a few years, replaced by the EM, which exists today." However, for the Popular Group the main problem stems from the fact that "there does not exist a clear government programme in Spain, and that is preventing our progress in other foreign policy



## GOVERNMENT ENCOURAGING INDUSTRIAL LOCATION IN SAGUNTO

Madrid DIARIO 16 in Spanish 26 Oct 83 p 15

[Text] Sagunto continues to preoccupy the government. It is foreseen that the demonstrations against the closing of the main plant of Altos Hornos del Mediterraneo will persist, and the Ministry of Industry intends to gain time and secure the largest possible number of jobs to engage those who became unemployed as a result of the reconversion.

Madrid--The government wants to attract enterprises to the area of Sagunto as soon as possible in order to alleviate the unemployment that will ensue with the closing of the main plant of Altos Hornos del Mediterraneo. The Ministry of Industry proposes to get sufficient investment and job-creating projects underway before the definitive closing of the installation. That is the only way to counteract the popular demonstrations which, according to all indications, do not appear to be over.

In the past few weeks, all entrepreneurs who have gone to the ministry to ask for permits for certain types of investments have been advised to settle in Sagunto "under exceptional conditions." To such end, the State Official Bulletin published yesterday a royal decree of the Ministry of Industry and Energy listing all kinds of benefits that will be available to enterprises which decide to settle in the area of Sagunto.

## Benefits

The preferential industrial site area comprises the Valencia municipalities of Albalat de Toronchets, Algar de Palancia, Algimia de Alfara, Alfara de Algimia, Benavites, Benifaro de les Valls, Cuartell, Estivella, Faura, Gilet, Sagunto, Sagunto, Segart and Torres-Torres. And also the Castellon municipalities of Almenara, Chilches, La Llosa and Moncofar.

The major benefits available to all enterprises that decide to settle in any of these municipalities are: subsidy from the State General Budgets of up to 10 percent of new investments in capital assets; reimbursement of up to 100 percent of the cost of disassembling, transporting and assembling equipment moved to that area; and preferential treatment in the procurement of government credit and the expropriation of lands needed for pertinent installation.

On one other hand, a series of benefits of fiscal nature is also included, among which stand out a discount of up to 95 percent on any excise tax or duty levied by local communities on the establishment of industrial activities that are entitled to benefits.

The decree that appeared on the official bulletin yesterday provides that the reversion period for the benefits will expire on 31 December. The Ministry of Economy is confident that by then, it will be possible to provide a goodly number of jobs for the workers of the Sagunto blast furnaces who will have been unemployed by that date.

And

The decree notes that the goals being sought by the establishment of this preferential industrial area are the creation of jobs, the promotion and stimulation of industrial investment, and the best possible utilization of infrastructural works.

The government is convinced that the people of Sagunto will not give up the struggle for their steel industry and will keep up the demonstrations for the next few months. It is only by providing alternative jobs, such as otherwise have been projected in the reconversion of other sectors, that the closing of the main plant of Altos Hornos del Mediterraneo will gain acceptance.

It would not be forgotten that Sagunto is a test for the government. A political and economic test that could turn into a big failure if a substantial number of investments are not attracted to that area on the basis of those incentives.

May

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## TECHNOLOGY OF COMPUTER USE; DOMESTIC MANUFACTURE

Madrid YA in Spanish 28 Oct 83 (Supp) p 17

[Text] A second breakdown of the sector could have us looking into the type of units installed or, in other words, into computer segments. Along these lines it must be said that more than half the data processing products used in Spain are in the line of so-called "intermediate computers." Specifically, 31 percent. Following in importance are the big ones, 22 percent; "minis," 13 percent, and the "micros," also called personal computers, which account for the remaining 12 percent. However, the micros are showing enormous growth worldwide and, of course, in Spain. Not in vain did the magazine TIME dedicate this year to the personal computer as man of the year.

This brief glance at the data processing situation in our country would be incomplete if reference were not made to manufacture. There are now three computer factories in Spain, one of them specifically the IBM Espana factory in Valencia, which in 1982 produced the equivalent of 23 million pesetas. More than 90 percent of them were earmarked for export.

In view of this panorama, the future of the data processing sector is very bright and optimistic. The computerization process is steadily advancing. And furthermore, with the explosion of personal computers, one does not have to be a data processing expert to be able to work with them.

These "utilities" are presupposing a genuine revolution and it is passing the obsession on to all areas of the population.

943

CSN: 15/11/91

## CONSERVATIVE CHAIRMAN ADELSONN HITS BUDGET SPENDING INCREASES

Stockholm DAGENS NYHETER in Swedish 28 Oct 83 p 2

[Op Ed Article by Ulf Adelsohn]

[Text] Overall, the "minibudget" is a monument to the defeat of Kjell-Olof Feldt in the government and in his parliamentary group. In addition, it is a serious indication that there will be no change of course in the future. They have let yet another opportunity pass them by. This was written by opposition leader Ulf Adelsohn (Conservative Party) after he examined the government's first austerity plan.

The Palme government has presented its first "austerity plan." This is the first payment on the debt it acquired during its 6 years in the opposition, when it constantly attempted to outbid the nonsocialist government, and during its first year back in power, when it increased government spending by 40 billion kronor. Now it is presenting the bill to the Swedish people.

Of course, something had to be done about the budget deficit. The government's economic policy will stand or fall, depending on its success in combatting the budget deficit. If it fails, its attempts to limit inflation also will fail, with even higher unemployment as a consequence. The government now realizes this--and this is undeniably an improvement.

Once again, however, the change in words has not been accompanied by a change in deeds. The government is trying to say that it is taking prompt steps, but actually the so-called minibudget simply confirms that the state could not afford all the increased expenditures recently rammed through parliament by the government. Six months after the Social Democrats voted down a proposal to cut back on food subsidies, the government is now proposing that such cuts be made.

Defeat

Overall, the minibudget is a monument to the defeat of Kjell-Olof Feldt in the government and in his parliamentary group. In addition, it is a serious

indication that there will be no change of course in the future. They have let yet another opportunity pass them by. Kjell-Olof Feldt has failed once again to convince his colleagues that strong austerity measures are needed. Instead, he has been forced to raise taxes to record levels. This is in clear contradiction to what he said as recently as last spring. At that time, he said that the budget deficit could not be reduced through higher taxes. Nevertheless, in practice, higher taxes are all that is being proposed. Since the government is constantly proposing new expenditures, the net savings will be little more than marginal.

Back during the election campaign we Conservatives predicted that this would happen with a Social Democratic government. The Social Democrats would be incapable of saving money and, in order to at least temporarily patch up the budget, they would fall back on their old habit of increasing taxes. We predicted higher taxes and new taxes. We also realized that the tax compromise would be shattered. If politics and logic have anything in common (which they do), then it had to come to this. The Social Democrats were totally unprepared for the job they took on. An unrestrained party leadership had given its party activists and sympathizers the false hope that the economic crisis could be overcome painlessly, if only a new government were installed. Words of warning from Social Democratic economists fell on deaf ears. The Palme government, entirely of its own doing, never was able to break with its antiquated Social Democratic policies. During its years in opposition, it condemned itself to administering a decaying economy, to use Olof Palme's own words.

#### 14 Billion

This year taxes will increase by 14 billion kronor. The minibudget and other statements have announced additional tax increases of at least 9 billion kronor. The final result probably will be tax increases of almost 12 billion kronor. During the same period, government expenditures will increase considerably more. Thus, what appears to be happening today will not happen. The government's policies do not contain budget cuts and tax increases, but the classical Social Democratic combination of increased taxes and an overall increase in expenditures. This is happening even though Kjell-Olof Feldt has claimed he wanted to do the exact opposite.

When taxes go up and expenditures increase, this means that the state and local governments grow, while the private sector shrinks. Thus, the section of our economy that is supposed to pay taxes to cover expenditures is becoming smaller and smaller. This worsens the so-called structural imbalance in the economy. This, too, is happening even though Feldt wants something totally different.

It is difficult to find a government in the history of Sweden with a more contradictory policy than that of the Palme government. The purpose of the devaluation was to boost industry and exports. This would restore growth in the private sector. In the short term, the devaluation had the desired results, but further down the road the government's policies will have the



exact opposite effect. If industry is to have room to grow, the state and local governments must get out of the way. High profits combined with the availability of capital and labor must provide the industrial growth Sweden so desperately needs. This, in turn, requires that national and local governments reduce their expenditures and resist the temptation of raising taxes even more.

#### Empty Gesture

Now the government is making precisely the mistake it cannot afford to make. The 16-percent devaluation could become an empty gesture because the economy is being mismanaged. Higher taxes and a rising budget deficit are fueling inflation. The advantages provided by the devaluation are gradually being undermined. Interest rates cannot be reduced and, as a result, investments in new machinery and plants are not being made. Companies are earning more by lending their profits to the state than by investing in production, which provides real jobs. Tax increases also aggravate the structural problems by tying up both the capital and labor markets. Because of the high marginal taxes, it is not profitable to change jobs, even if the new wage would be higher. Higher housing taxes hurt the housing market, which also ties up the labor market. Higher taxes on property and stocks may be political justified for a party that has accused others of increasing the gap between rich and poor, but increased taxes on venture capital lead to unemployment. Money that otherwise would have been invested in new factories and jobs goes instead to the government treasury. In actuality, light taxation of capital is a precondition for growth among small businesses. Most Western countries have come to realize this by now. The Palme government, on the other hand, continues to sacrifice jobs at the altar of envy.

The government's mishandling does not represent a new trend. Unfortunately, it is a continuation of past policies that have led to Sweden's poor economy. The world's largest public sector will become a little larger. The world's highest taxes will rise a little higher. Nothing is being done about the structural problems. They are being further aggravated and the price for this will be high. Now and tougher austerity plans will be needed. Inflation and unemployment will rise.

#### Next Year

One problem intimately connected with the structural problems is the question of how we will pay off the deficit. There is a limit to how much the state can borrow, just as there is a limit to how much the state can increase taxes. One year ago we had 10 years remaining before state revenues would not even cover interest payments on the national debt. Any family that is weighted down by interest payments knows what it will be like then. In the fiscal year 1981/1982 interest on the national debt was 28 billion kronor. This figure rose to 46 billion kronor 1 year later. This year it will be 56 or 57 billion, at least. If interest rates are not reduced in Sweden and if the dollar remains strong, interest payments on the national debt will rise to

70 billion kronor during the next fiscal year. At that time, one third of all state revenues will go toward interest payments. The minibudget confirms that we have lost another year. Now we have only 9 years remaining before all state revenues go toward interest payments.

For this reason, a prompt change in direction is an urgent necessity. If we wait too long, all government activity and subsidy payments must cease if we are to avoid a total collapse. Obviously, greater economic growth could postpone the collapse. That is an idle wish, however, for in reality the conditions needed for growth will shrink as the budget deficit increases, expenditures increase, and taxes rise.

#### Treadmill

The government is running in the treadmill of its own economic policy. Expenditures are increasing, the deficit is growing, and when taxes are increased to cover the deficit, then expenditures increase slightly and incomes drop steadily. It is becoming something of a tragedy for Sweden that when we truly need tough measures to deal with the economic crisis and to break away from failed Social Democratic policies, we are faced with a government that has neither the strength nor the mandate from the people to do anything but continue along the path toward bankruptcy.

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Doc: 8811/28

## FELDT BUDGET PROPOSAL MEETS CRITICISM FROM ALL SIDES

Stockholm DAGENS NYHETER in Swedish 27 Oct 83 p 6

[Article by Dick Ljungberg]

[Text] The government's "minibudget," which would bring in an additional 7 billion kronor, is being criticized from both right and left. The non-socialists are attacking the tax increases, while VPK (Left Party Communists) believes that the battle against unemployment has been abandoned. Several austerity measures have the support of the nonsocialists, however.

We should be able to reduce unemployment next year, increase investments after several years of sharp declines, and reverse the trend of decreasing private consumption.

Finance Minister Kjell-Olof Feldt gave this optimistic appraisal. The prerequisite, however, is that prices and wages must be kept down.

Prime Minister Olof Palme and Feldt presented the government's "minibudget" at an especially well attended press conference on Wednesday. About 5 billion kronor in budget cuts will be made and 2 billion more will be received in the form of taxes.

"Our goal is for everyone to help rebuild a sound economy," Palme said. "In the long run, this will benefit the unemployed and the weakest members of society."

The idea behind the austerity proposals is that they will have as little effect as possible on employment and that those who have the most will share the burden. This idea is reflected in the proposed one-time increase in the property tax.

Palme was asked about the difference between the nonsocialists' "belt-tightening" and that of the Social Democrats.

"The nonsocialist policies involved cuts in the entire economy, in production, investments, employment, and the standard of living. It was a narrow-minded belt-tightening policy," Palme answered. "We increased production by implementing the devaluation. We will combine expansive policies with restraint

in our expenditures."

#### Bright Spots

Public borrowing and private consumption must be held down in order to increase production and investments.

Kjell-Olof Feldt saw several bright spots in the economy.

"A clear recovery is taking place in Swedish industry. Exports have increased dramatically, primarily because industry has regained a larger share of the world market. Compared to last year, the deficit in the trade balance has been cut in half."

"Now we must see to it that wage and price rises are held to 4 percent and the budget deficit is limited. For this reason, we could not wait for the government budget proposal in January, but decided to take steps now toward an austere financial policy for 1984," Feldt said.

The most important ingredient in a successful economic policy is a limited increase in wages. If the total increase is kept down to 6 percent, our inflation goal can be achieved and Swedish companies can capture new shares of the market at home and abroad.

#### Increased Investments

In this way, unemployment could be reduced from 150,000 to 130,000 next year, i.e., from 3.5 percent to 3 percent, according to Feldt.

The goal of the budget is to have the same absolute deficit as this year-- 90 billion kronor.

It now appears that the financial situation of local and county governments in 1984 will be much stronger than previously believed, according to the government. This means that local taxes will not be increased next year.

At the press conference, Palme was asked whether the cuts in foreign aid (from 1 percent to 0.93 percent) would damage Sweden's international prestige.

"No, we are still above our international commitment of 0.7 percent," Palme said. "When we were building up Swedish foreign aid, we paid for it ourselves. Now, in practice, we must borrow these funds abroad. We do not want a situation in which increased foreign aid would be financed by the poorest members of our society. That would undermine popular support for foreign aid."

Palme promised to restore the 1-percent goal as soon as this was permitted by the country's finances.

From which parties in parliament do the Social Democrats hope to gain support for their austerity program?

"Everyone is welcome to help out," Palme and Feldt said in unison.

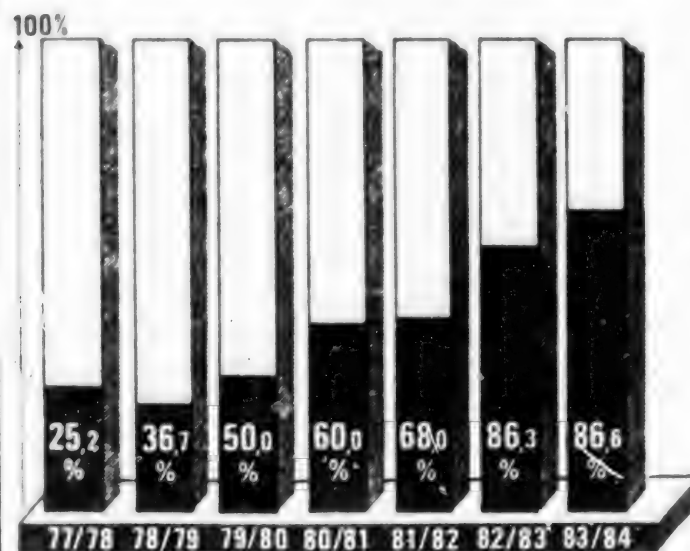


Diagram FRANK LERJEGÅRD

Det här är Kjell-Olof Feldts stora huvudvärk: statsskuld-räntornas häftigt ökande andel av budgetunderskottet. Övriga utgifter i statskassan har pressats tillbaka i ungefär samma takt som ränteutgifterna stigit.

This is Kjell-Olof Feldt's main headache: the constantly increasing share in the budget deficit resulting from interest payments on the national debt. Other budget expenditures have been reduced at about the same rate interest payments have increased.

9336

1983/84



FEDERAL BANK CHIEF DENNIS: BUDGET DEFICIT STILL EXCESSIVE

Re: [JANIS] NYRETER in Swedish 28 Oct 83 p 9

(Att: [by Ann-Charlotte Jasec])

[Text] Bank of Sweden Director Bengt Dennis has harshly criticized the government's situation.

"The government's only ambition has been to keep the budget deficit at its present level (40 billion kronor) next year. Instead, the deficit should have been reduced to 75 or 80 billion kronor."

Bengt Dennis expressed his disapproval of the government in a speech at the annual meeting of the Swedish Bankers' Association last Thursday.

Swedish Federation of Trade Unions vice-chairman Rune Molin agreed, in part, with Bengt Dennis that the government should have been more forceful. He would not say how many billions the government should have cut, but he would not have cut as much as Bengt Dennis recommended.

Could have gone further

"Fiscal restrictions in the budget deficit aggravate the unemployment problem. We do not want this."

"Restrictions should occur more slowly than Dennis recommends."

Molin said that revenues could be obtained through taxation, but that it was "the rich" who should pay.

"Inflation has led to enormous increases in capital. The government could have increased taxes on stocks a bit more. The reaction of the stock market is an indication of this."

Molin said that the global economic crisis would continue throughout the 1980s and that Sweden must pull itself up through its own efforts.

## Uncertain Fate

"Dealing with the budget deficit will be a major problem for the government if competitiveness, production, and employment are to be maintained at a high level."

"This sounds almost impossible, if we listen to the political debate. The budget the government is now proposing does is facing an uncertain fate in parliament."

The cuts are a step in the right direction, but they are far from enough. Something must be done about the budget deficit in the public sector, according to Jensen.

He also pointed out that Sweden still had time to get its state finances in order.

"We can still deter the ourselves the rate at which we will adjust to a more austere budget. But we must learn from other countries that the longer we put this off, the more difficult it will be and the harsher our steps must be."

Mr. Jens

And Jensen also commented on the deficit in the trade balance.

"This deficit and the enormous foreign debt resulting from it make us extremely vulnerable to fluctuations in the financial markets."

"If we examine the economic policies of the seventies and the eighties, we see that we have been both naive and careless and, at times, we have been politically irresponsible."

In every other respect, we have only ourselves to blame for the imbalance in our economy, according to Bent Jensen.

VII

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## FARMERS MAY CAUSE TROUBLE FOR PALME GOVERNMENT

Stockholm DAGENS NYHETER in Swedish 16 Oct 83 p 12

/Article by Thomas Michalsen: "Farmers Give Notice of Action Against the Government"/

/Text/ There is a conflict regarding agriculture at present. Ostensibly the conflict is concerned with food prices and how much compensation the farmers are to get for increased production costs. But ultimately what is involved is more than that. The question is: what kind of agriculture is Sweden actually going to have in the future?

On the very same day the report on foodstuffs was submitted the Scanian farmers began to protest. Their council of trusted representatives writes menacingly that the LRF /National Federation of Farmers/ obviously will have to take "very drastic steps" if the proposal is not changed. In the farmers' headquarters in the LRF building in Stockholm, the tone is only slightly milder.

It is clear that a big conflict regarding agriculture is coming.

At present, we are paying one-fifth of our incomes for food. But why should negotiations be going on continuously in regard to food prices and farmers' pay? And why is the fact that Swedish agriculture produces more food than we consume in this country a problem?

The purpose of the government's report on foodstuffs is to settle the difficulties in the agricultural crisis in record time, but the first proposal that came along this week was actually not a proposal. The Social Democratic majority had formulated three alternatives and it turned them over to the government for a decision. Furthermore, one of the alternatives was to continue as in the past.

## Negotiations

The second alternative was to do away with the present rules which give farmers full compensation for cost increases in production. Instead of having automatic compensation, it would open up the way for unlimited negotiations between the consumers and the farmers. The third alternative is an intermediate stage between the two--part automatic compensation and part negotiation.

The first point at issue is concerned with the question as to whether the farmers are to get an automatic upward adjustment of the compensation for their costs of production. Under the alternative, they would have to negotiate in regard to all or a part of that compensation.

But why should there be negotiations or why should political decisions be made for a group of entrepreneurs in the first place? The reasons for this are to be found outside of Sweden's frontiers--and in agricultural policy.

Hayden

The agricultural surplus from industrial countries has been sold--or bought--on the world market at very low prices for many decades now. To protect the Swedish farmers from killing themselves in trying to compete with the cheap foreign food, a protective boundary was created around Sweden. One of the reasons behind this is the fact that there are old agreements between the farmers and the Social Democrats going back to the critical year of 1933.

But while Swedish agriculture was protected against the competition from cheap foreign foodstuffs, the consumers had to be protected, on the other hand, from having the farmers increase food prices too much on the screened-off Swedish market. That is the reason for regulating agricultural prices.

From that it followed, in turn, that the farmers had to get compensation for their increased production costs. They did not get to increase their prices freely when the cost of artificial fertilizer or diesel fuel went up, as did other entrepreneurs.

It is in regard to the farms that compensation will take that the conflict in regard to food prices is starting up now. But ultimately what is involved is actually much more than that. The question is: What part of agriculture is Sweden going to have in the future?

Within the farmers' own organization, intensive activity is now going on in anticipation of a struggle regarding prices. They are seeing ghosts from the 1960's again. For Sweden's farmers, the 1960's were the gloomiest of times. That was the time when agriculture was to be cut back and the farmers were to be turned into industrial workers. At that time, industry was still calling for manpower.

But the farmers protested, demonstrated and shouted in gigantic placards, from the walls of barns and cowhouses: "Can you imagine a countryside without agriculture?"

### More Fruitful

After the gloomy '60's, the farmers got their more fruitful '70's. Then the sun shone on better crops. Then the farmers were able to strike at tilt-tilted agricultural agreements. During that same decade the consumers' real wages increased more than ever before. In addition, the government introduced subsidies on foodstuffs on top of the improved purchasing power, beginning in 1973, and that lowered the prices for food. No wonder demand increased in the stores! For example, the consumption of meat increased by 10 kilograms per person per year, from 44 to 54 kilograms, in Sweden in the 1970's.

Now in the period after the feast. Purchasing power and consumption have been dropping for several years. Beef sales began to go down as early as 1977-78. The consumption of pork, which is cheaper, reached its peak in 1979, and it has dropped off substantially since then. The Swedes have even begun to economize on milk since 1981.

But it is not just the consumers' purchasing power that has dropped off since the end of the '70's. The government has also discontinued some of the subsidies that reduced food prices during that same period. More cancellations can be expected.

The farmers are most concerned about beef at present. When the subsidies of a little more than 3.50 kronor per kilogram are done away with, the price in the stores increases by almost 6 kronor per kilogram.

The agricultural crisis now is due to the fact that the farmers had continued to increase their production in spite of the fact that the demand had declined year by year. The individual farmer is experiencing a situation that is unusual for entrepreneurs--even before he gets started, he can be sure of selling his entire production.

### One Tenth

At present, one tenth of the milk that is obtained is surplus that must be exported. The farmers produce 25 percent more pigs than are consumed in this country. The surplus of grain is calculated at more than 400 million kilograms.

The surplus is sold on a world market that is a quagmire, and at prices below--and often far below--the Swedish prices. The financial cost to the Swedish society is calculated at 400 million kronor per year, or about 1.5 billion kronor over the long term, according to calculations in the report on foodstuffs. Two possible prescriptions for dealing with the critical situation now loom. One is to force prices and--consequently--profitability down in order to make the farmers reduce their production in that way. The other is to reduce production by restricting it.



There is no

The Agriculture Committee's consumer delegation advocates the first alternative and the farmers' organization, the LRF, advocates the second.

The LRF believes that price pressure will not produce any results. When the price goes down, the farmers will try to produce more, instead of less, in order to make out. They will put more cows in the barn, etc.

historically, however, examples can be found where price pressure--and price increases, the opposite of price pressure--had an effect. It was low prices for milk that led to a drop in milk production in the '60's.

The line the LRF takes is that the thing to do is to continue as in the past or, in the worst possible case, to introduce price regulation. An example is the system of two prices for milk. That means that the farmers would get the full price for up to 90 percent of their former output, for example. For what he supplied over and above that, a farmer would only get what the milk was worth in the form of butter or powdered milk on the world market.

In the debate on compensation, what is involved is indexing and the means of production. According to some criteria, agriculture, as a collective, should receive compensation for all its costs. That is based on the idea that all Swedish farmers, taken together, constitute one single farmer.

But when it is time for that compensation to be distributed, there no longer is a single, gigantic Swedish farmer, but there are more than 110,000 individual entrepreneurs, instead. They not only have farms of different sizes and different individual objectives, but one has cows, another has pigs and a third raises wheat.

Furthermore, their individual financial situations differ according to when each of them got started and whether they invested the old, strong kronor and managed to make money out of inflation or whether they invested money recently. On the other hand, the farmers' compensation is proportional in spite of the fact that their individual incomes are different. A farmer is paid the same amount per liter of milk whether he has 20 or 60 cows.

Thus, the present system intensifies the inequality that exists among farmers. The small efforts that have been made to bring about a leveling out of the big and the little in the most recent agreements do not change the picture. Out of a total of more than 20 billion kronor that have gone to agriculture, only a few hundred million have been distributed according to carrying capacity.

But people don't like to talk about differences among farmers.

2200  
1987 04/01/26

# PAPER LOOKS AT NEW CONSERVATIVE PARTY PROGRAM FOR ECONOMY

Stockholm: SVENSKA DAGBLADET in Swedish 10 Oct 83 p 2

(Editorial: "Do You See the Grain Among The Blue?")

(Text) It is quite natural that someone who differs radically from a conventional way of thinking and, in doing so, becomes the first to bring a petrified debate back to life will be exposed to a crossfire of attacks.

That is what is happening now with the Conservative Party, and particularly since their proposal for a new party program was published. However, it is worth noting that that same program is proposed by various debaters from different points of view. Where one talks about militant neo-conservatism, another talks about breaking completely away from everything that is known as conservatism.

The moderate views that are expressed in the program are not new to the party. As a matter of fact, the Conservative Party, with its criticism of the Social Democratic model society which still prevails, perhaps contributed more than anybody else to regenerating Swedish political debate.

The party has not only had great success in gaining voters, but it also has been very successful in consolidating a new political idea, even far outside of the party's boundaries.

Let us look at a few concrete examples. The criticism of the public sector's uncontrolled growth, on which the party members once were unanimous, is now shared by almost everybody, at least among nonsocialist groups. The Conservatives have gradually aided a great many more people who support their attack on the society of high taxes. Even a good many neoconservatives have adopted their earlier warnings against the development of a corporate society and made them their own, etc.

And, quite generally, the actions of the Conservatives have led to a new point of view on the mission of the nonsocialist parties, too. Nowadays, people in the Liberal Party and the Center Party know that it is not the nonsocialist parties' job to offer a "better" Social Democratic society, but rather to point out genuine alternatives to the model society that apparently is on the point of breaking down.

Very concretely, one would be able to say that, without the ideological shifting that has taken place in society and which the Conservatives were the cause of the Liberal Party would not have had Bengt Westerberg as its leader today. The values that have characterized the Conservatives' public image in the economic and political sphere were liberal ones, and that is also true to a great extent of the program that party is proposing at present. But it should be noted that the party started with the most central principle of the Conservatives' fundamental views to arrive at its policy, and that central principle is that one should build on past experience.

Experience has shown clearly that the market economy and liberal freedoms and rights constitute the best--and, in the end, a necessary-basis for a prosperous society whose functioning is fairly trouble-free.

That liberal attitude not only bears evidence of conservative conditioning, but it also can certainly be associated with a number of traditional conservative values.

To take one example, a liberal society not only calls for individual freedom but also for a large amount of individual responsibility. That requires a strong sense of family unity and defense of the family as the most important social unit in society, for example. It also requires high working morale and acceptance by the individual of responsibility toward one's fellow men. One should do one's share and one should behave well.

A liberal society of that kind makes demands of its citizens. Contrary to a common false notion it does not relieve the citizens of responsibility, instead it requires that those who can take responsibility will do so. In that way, the conservative-liberal society is in contrast with a socialist society and the variant of liberalism that takes a nihilistic attitude toward values.

If one disregards the ideological formulations of a political party's program for a moment and looks at practical politics instead, it is obvious that the Conservatives have not had any difficulty in bygone years in combining their liberal policies with other conspicuous, conservatively-conditioned positions. In addition to policy in regard to the family, one can recall the Conservatives' leading position in the defense of law and order, for example, and particularly in the defense of the principles of a state governed by law. That is a struggle they have had to carry on alone in certain cases.

Another example, which is not concerned with anything important, but which still is very illuminating, is the Conservatives' single-handed battle in standing up for tradition and continuity in the question of the state law (statut).

A great number of examples of this could be cited.

Conservative points of departure and liberal conclusions can be combined without any difficulty.

The really interesting problem where the Conservatives are concerned--an Inblick on this page deals with that problem--is the question as to whether the Conservatives are able, and dare--at the risk of being alone, at least at the beginning--to bring forward the concrete proposal that is the consequence of their conservative-liberal criticism of the Social Democratic model society that now is crumbling away.

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CSO: 3650/26

## BRIEFS

STATE DEBT REGISTERS LARGE INCREASE--Press Wire Service, Inc--The National Debt Office reports that the Swedish nation's indebtedness increased by 7,369 million kronor during September 1983. That results from an excess of expenditures over receipts of 7,374 million kronor in government operations during the month as compared with 4,919 million kronor during September 1982. The cashier's offices of the National Debt Office and the Budget Department were able to contribute 5 million kronor. During the 12-month period carrying through September 1983, the state debt increased by 88,511 million kronor as compared with 70,314 million during the corresponding period a year earlier. /Text/ /Stockholm SVENSKA DAGBLADET in Swedish 6 Oct 83 p 6/

MANUFACTURING JOBS LOST--One hundred thousand jobs will disappear in manufacturing industries between now and 1990 while the public sector will increase by approximately the same amount. Furthermore, the number of vacant positions in construction enterprises will diminish by 36,000 and in agriculture and forestry by 21,000. On the other hand, there will be an increase of a little more than 77,000 jobs in the personal services area. That is evident from the compilation of information on county government board prognoses concerning employment and population carried out by the Ministry of Industry since the spring of 1983. /Text/ /Stockholm DAGENS NYHETER in Swedish 3 Oct 83 p 8/ 9266

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## CONVERSION, CREATION OF STATE-RUN ENTERPRISES

Istanbul MILLIYET in Turkish 15 Nov 83 p 4

[Text] Several new enterprises have been established through the statutory edict that provides for the restructuring of SEE's. Accordingly, the operating capital of DESIYAB (State Industrial and Worker Investment Bank) has been set at 50 billion liras. In share distribution, 51 percent will be allocated to the State Treasury, 20 percent to the companies of Turkish workers abroad, and 20 percent to companies of Turkish workers at home, social security organization, domestic and foreign financiers and public corporations.

The bank of Antolia (Anadolu Bankasi) has been converted into a SEE. In terms of its capital, 91 percent has been allocated to the State Treasury and 9 percent to public enterprises, vocational establishments and companies. The Bank of Anatolia will assume the status of a company and will continue operating autonomously.

In addition, according to the edict published in the Official Gazette, the Turkish Maritime Organization Directorate General (TUDEK) has been set up. The Maritime Bank (Denizcilik Bankasi) has been made over into a specialty bank affiliated with TUDEK. Moreover, another statutory edict has provided for the establishment of a new state economic enterprise called ORUS, which is geared to the exploitation of forests.

CSO: 3554/73

## OIL MONOPOLY, POWER AGENCY DISPUTE FUTURE POWER REQUIREMENT

Helsinki HELSINGIN SANOMAT in Finnish 30 Oct 83 p 2

[Editorial: "Tug of War with Electric Power Lines"]

[Text] State-operated Neste Oy [state oil company] is in the process of throwing its own ace up its sleeve into the Finnish energy game. According to a study conducted by the company, a new major power plant will not be needed in our country during the early 1990's. This claim is a cold shower to state-operated Imatran Voima [Imatra Power Company] (IVO) since that company has conspicuously and repeatedly offered evidence in favor of a new major power plant.

The Neste study is readily suspected of being motivated. After all, the electric power and oil sectors have been fighting over their shares of the market for years now. Neste feels that it has lost out in this competition. Thus it is important for Neste that the current overcapacity in electric power production not continue for a long time in the future and that the oil company's energy domain not be narrowed down any more than it has been.

But similar thoughts are also inescapable when we examine IVO's assessment of our needs. They too probably contain an expedient amount of slack with the aid of which a new 1,000-Mw power plant may be shown to be more necessary than it perhaps will be in the early 1990's. The company needs deductions and work for its planners.

The dispute between the two state-run energy companies is an interesting one. It serves an uncertain Parliament and even more uncertain consumers. A critical state is especially necessary in energy policy. In keeping an eye on one another the companies obviously get closer to the truth, which as things now look can generally be guessed.

Distinguished as a lumber industry consultant and showered with international renown, Jaakko Poyry Oy is representing Neste in this matter. Neste has thus gone out the kitchen door to straighten out IVO's calculations, which are largely based on precisely an increase in the lumber industry's need for electric power.

As for the lumber industry, it is evidently determined to support IVO demands. Among other things, in a recent discussion on energy affairs on television the Lumber Industry Association's representative laid particular emphasis on individual plants' investment plans, which support construction of a large power plant as soon as possible. The lumber industry has in this way dissociated itself from assessments of electricity needs that are based solely on overall economic growth prospects.

Since the consulting firm, which has also thoroughly familiarized itself with the situation lumber industry plants are in, has extended its support to Neste's calculations, the conclusions do not at any rate speak in favor of the urgent need for reaching a decision proclaimed by IVO. There is good reason for IVO to pause, take a deep breath with industry and get ready to answer the question as to why there are two estimates on the location of the caravan which decisively differ from one another, yet are certainly expert opinions.

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CSO: 3617/34

## NEW FIRM EXPECTS TO START MINERALS SURVEY ON SVALBARD

Oslo AFTENPOSTEN in Norwegian 15 Nov 83 p 39

[Article by Flemming Dahl: "New Limited Partnership Company Banking on Svalbard"]

[Text] The initiative takers for a new Norwegian limited partnership company, K/S A/S Nordisk Polarinvest, figure that the company in 1984 can become engaged in exploration for natural resources on Svalbard.

According to the manager, Attorney Trygve Fjeld, Jr., the limited partnership company was recently fully subscribed with liability capital of 50 million kroner divided among about 150 persons, and with A/S Nordisk Polarinvest as a complementary company.

New partners are being invited these days to take shares in an equivalent No 2 limited partnership company and, according to Fjeld, the question can later arise of taking the initiative for several such companies with the intention of operations in arctic regions.

After A/S Nordisk Polarinvest was established in April of this year, it took a longer time than originally expected to get the first limited partnership company established, which is associated with the fact that doubt was raised about certain tax aspects.

After conversations with the authorities, however, the manager thinks that the initial conception for operations has been adjusted to such an extent that the partners can expect to have their future tax plans approved.

Trygve Fjeld, Jr. tells AFTENPOSTEN that the first limited partnership company will now begin negotiations with Norwegian and foreign companies which from before have rights on Svalbard, so that the company can either join or take over exploration projects under way.

In a comment to AFTENPOSTEN, Expedition Chief Hans Olav Østgaard of the Justice Ministry's Polar Division says that Norwegian authorities in no way regard the new limited partnership company's plans as decisive for securing Norway's interests on Svalbard. "But in general I will say that every Norwegian operation on Svalbard is in our interest," he states.

While a number of Norwegian and foreign companies have exploration rights and in part smaller unexploited finds of natural resources on Svalbard, there are only two which are conducting extraction projects. These are the Store Norske and Soviet Trust Arktikugol State companies, which are both mining coal.

Store Norske is operating with a great deficit, but Expedition Chief Østgaard emphasizes that Norwegian authorities are obviously disposed toward keeping the operation alive. However, he points to the authorities' desire to make the operation more efficient in order to make the deficits lower.

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